



Life Insurance Company (U.S.A.)

Customer Service Center R02,
1 John Hancock Way, Suite 1350, Boston,
Massachusetts, 02217-1099

**ACCELERATION OF LIFE INSURANCE BENEFIT FOR QUALIFIED
LONG TERM CARE SERVICES RIDER -- FORM 09WLLTCR
OUTLINE OF COVERAGE**

CAUTION. The issuance of this rider is based upon our issuance of the policy and the responses to the questions on the application for this rider. A copy of the application for the policy and the application for this rider are attached to the policy. If the responses to the questions on the application for this rider are not complete, true, and correctly recorded, we have the right (in addition to any rescission rights described in the policy) to deny benefits or rescind the rider subject to the Time Limit on Certain Defenses/Misrepresentation provision. The best time to clear up any questions is now, before a claim arises! To contact us, write to: John Hancock Life Insurance Company (U.S.A.), Customer Service Center R02, 1 John Hancock Way, Suite 1350, Boston, Massachusetts, 02217-1099, or call us at 1-800-387-2747.

NOTICE TO BUYER: This rider may not cover all of the costs associated with long term care incurred by the Life Insured during the period of coverage. You are advised to review all benefit limitations carefully.

1. This rider is attached to an individual life insurance policy issued in the state of New Jersey.

2. **PURPOSE OF OUTLINE OF COVERAGE:**

This Outline of Coverage provides a very brief description of the important features of the rider. The Owner and the Life Insured should compare this Outline of Coverage to outlines of coverage for other policies or riders available to the Life Insured. This is not an insurance contract, but only a summary of coverage. Only the life insurance policy and rider contain governing contractual provisions. This means that the life insurance policy and rider set forth in detail the rights and obligations of you, the Life Insured, and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you READ YOUR POLICY AND RIDER CAREFULLY!

3. **FEDERAL INCOME TAX TREATMENT OF THE RIDER:**

Long term care insurance was granted favorable federal income tax treatment by the Health Insurance Portability and Accountability Act of 1996 ("Act"). Policies meeting certain criteria outlined in this Act are eligible for this treatment. This rider is intended to be a federally tax-qualified long term care insurance contract under Internal Revenue Code ("Code") section 7702B(b). The benefits provided by the policy are intended to be excludable from federal gross income under Code section 7702B, as may be amended from time to time. If, in the future, it is determined that this rider does not meet these requirements, we will make reasonable efforts to amend the rider if we are required to do so in order to comply. We will offer you an opportunity to receive these amendments. Premium for this rider may be a distribution for income tax purposes. If you have any questions concerning the tax implications of this rider, you should consult with an attorney or qualified tax advisor.

4. **TERMS UNDER WHICH THE RIDER MAY BE CONTINUED IN FORCE OR DISCONTINUED:**

RENEWABILITY: THIS RIDER IS NONCANCELLABLE. This means that subject to the terms of the policy and rider, this rider will continue as long as the rider premium is paid when due. In addition, we cannot change any of the terms of the rider without consent and cannot change the rider premium.

5. **TERMS UNDER WHICH THE COMPANY MAY CHANGE THE RIDER PREMIUM**

We do not have the right to increase the rider premium.

6. **TERMS UNDER WHICH THE RIDER MAY BE RETURNED AND RIDER PREMIUM REVERSED**

- (a) THIRTY DAY FREE LOOK. If you or the Life Insured are not completely satisfied with the rider for any reason, you or the Life Insured may return it within 30 days from the date it was delivered. We will then reverse any long term care rider premium imposed, and the rider will be treated as if it had never been issued.
- (b) Refund of Unearned Rider Premiums. As the policy and rider are paid by a single premium and are considered fully paid up, the rider does not provide for a refund or partial refund of premium upon the death of the Life Insured or upon cancellation of the rider.

7. **THIS IS NOT MEDICARE SUPPLEMENT COVERAGE**

If the Life Insured is eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from the Company. Neither the Company nor its agents represent Medicare, the federal government, or any state government.

8. **LONG TERM CARE COVERAGE**

Policies and riders of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventative, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a nursing home, in the community, or in the home.

The rider provides accelerated benefits for actual charges incurred for care up to the Maximum Monthly Benefit Amount for covered long term care expenses, subject to rider limitations and requirements.

9. **LONG TERM CARE ACCELERATED BENEFITS PROVIDED BY THE RIDER**

(a) Covered Services

Subject to the conditions, limitations, and exclusions found in the rider, we will make a monthly Accelerated Benefit payment in an amount not to exceed the lesser of (i) the charges incurred by the Life Insured for Qualified Long Term Care Services, and (ii) the Maximum Monthly Benefit Amount. The monthly benefit will be payable provided we have received evidence satisfactory to us that the Life Insured has incurred charges for Qualified Long Term Care benefits, as described below.

The monthly benefit payment is based upon Qualified Long Term Care Services received in a Calendar Month time period and the Accelerated Benefit we have approved for that period.

A portion of each approved monthly benefit amount will be used to repay a portion of any Policy Debt under the policy and will reduce the monthly benefit payment for that period.

(b) Qualified Long Term Care Benefits

Subject to the conditions, limitations, and exclusions described in the rider, we will make a payment of Accelerated Benefits in an amount not to exceed the lesser of:

- (1) the charges incurred by the Life Insured for Qualified Long Term Care Services; and
- (2) the Maximum Monthly Benefit Amount.

Payment of Accelerated Benefits is condition upon our receiving evidence satisfactory to us that the Life Insured is:

- (i) confined in a Nursing Home or an Assisted Living Facility for room, board, and care services (such care services being Nursing Care, Custodial Care, and Hospice Care); or
- (ii) receiving Home Health Care, Hospice Care, or Respite Care ; or
- (iii) attending an Adult Day Care Center providing Adult Day Care.

(c) Eligibility for Payment of Benefits

Accelerated Benefit payments may be made under the rider if the Life Insured has been certified as a Chronically Ill Individual by a Licensed Health Care Practitioner.

AND

- the 90-day Elimination Period has been satisfied;
- the Life Insured is receiving Qualified Long Term Care Services that are consistent with the Life Insured's care needs and are covered under this rider and such services are specified in a Plan of Care;
- there is a current Plan of Care and written Proof of Loss for the Life Insured, both of which are acceptable to us. (Plan of Care and written Proof of Loss must be renewed and submitted to us every 12 months, otherwise benefit payments under this rider will discontinue on the first day following the end of the 12 month period.); and
- we determine that the Life Insured is eligible for benefits under this rider.

Activities of Daily Living mean the following activities: Bathing, Continenence, Dressing, Eating, Toileting, and Transferring.

Chronically Ill Individual means that the Life Insured:

- (i) is unable to perform without Substantial Assistance from another individual, as certified in writing by a Licensed Health Care Practitioner, at least two of the Activities of Daily Living due to the loss of functional capacity for a period expected to last 90 days; OR
- (ii) requires Substantial Supervision, as certified in writing by a Licensed Health Care Practitioner, to protect him or herself from threats to health and safety due to the presence of a Cognitive Impairment.

Cognitive Impairment means a deficiency in a person's short-term or long-term memory; orientation as to person, place, and time; deductive or abstract reasoning; or judgment as it relates to safety awareness.

Elimination Period (waiting period) means the number of Dates of Service that would otherwise be covered by this rider, for which we will not pay benefits. The Elimination Period is equal to 90 Dates of Service. Only one complete Elimination Period needs to be satisfied while the policy is in force.

The Elimination Period starts on the first Date of Service. No Date of Service may be counted as more than one day towards the satisfaction of the Elimination Period. The Dates of Service used to satisfy the Elimination Period do not need to be consecutive and may be accumulated under separate claims. We will not pay benefits for charges during the Elimination Period.

If the Life Insured receives Home Health Care for one or more days in a Calendar Week, we will apply seven days toward the satisfaction of the Elimination Period. Please note that there will be no credit for days that occur before the first Date of Service. Calendar Week means the seven consecutive day period that begins on Sunday at 12:01 a.m.

10. **LIMITATIONS AND EXCLUSIONS**

In addition to the conditions set forth above, the following limitations and exclusions apply to the rider.

(a) Exclusions. Qualified Long Term Care Services do not cover care or treatment:

- for intentionally self-inflicted injury.
- required as a result of alcoholism or drug addiction (unless drug addiction was a result of the administration of drugs as part of treatment by a Physician).
- as a result of war (declared or undeclared) or any act of war, if the illness or injury occurs while the Life Insured is servicing in the military, naval, or air forces of any country, combination of countries or international organization.
- as a result of the special hazards incident to service in the military, naval, or air forces of any country, combination of countries or international organization, if the illness or injury occurs while the Life Insured is serving in such forces and is outside the home area.
- due to participation in a riot or insurrection, or the commission of or attempt to commit a felony.
- for which no charge is normally made in the absence of insurance.
- provided by a member of the Life Insured's Immediate Family unless:

- the family member is one of the following professionals – a duly licensed registered nurse, licensed vocational nurse, licensed practical nurse, physical therapist, occupational therapist, speech therapist, respiratory therapist, licensed social worker, or registered dietician; and
 - the family member is a regular employee of a Nursing Home, Assisted Living Facility, Adult Day Care Center or organization which is providing the services; and
 - the organization receives the payment for the services; and
 - the family member receives no compensation other than the normal compensation for employees in his or her job category.
- provided outside the fifty United States and District of Columbia except as described in the International Coverage Benefit provision of the rider.
- (b) Non-Duplication of Benefits. Qualified Long Term Care Services do not include charges covered under any of the following:
- Medicare (including amounts that would be reimbursable but for the application of a deductible or coinsurance amounts).
 - any other governmental program (except Medicaid).
 - any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law.
 - expenses for services or items available or paid under another long term care insurance or health insurance policy.
- (c) Limitations-Charges not Covered. We will not pay for any of the following: Physician's charges; hospital and laboratory charges; prescription or non-prescription medication; medical supplies; durable medical equipment; transportation; items and services furnished for beautification, comfort, convenience, or entertainment of the Life Insured, room and board charges for independent living quarters in a Continuing Care Retirement Community or similar entity; any type of residential upkeep, construction, renovation, or home maintenance (such as painting or plumbing); lawn/yard care; snow removal; vehicle or equipment upkeep; and charges for care or services which are not included in and/or are inconsistent with the Life Insured's Plan of Care.

THE RIDER MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

11. RELATIONSHIP OF COST OF CARE AND BENEFITS

Because the costs of long term care services will likely increase over time, you and the Life Insured should consider whether and how the benefits of this rider should be used. ***This rider does not include inflation protection coverage.*** Increases and decreases to the Insurance Benefit of the policy resulting from the exercise of the rights thereunder, including the right to make policy loans and partial surrenders, will cause a change in the Maximum Monthly Benefit Amount and the amount payable upon the Life Insured's death.

12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS

This rider covers charges for services necessitated by brain disorders with demonstrable organic cause (including Alzheimer's Disease and similar forms of senility and irreversible dementia) that result in the Life Insured's Cognitive Impairment.

13. LONG TERM CARE RIDER PREMIUM

The rider premium for the long term care rider is shown in the Policy Specifications page for this rider.

14. ADDITIONAL FEATURES; REINSTATEMENT

(a) Issuance of this coverage may depend upon certain medical information about the Life Insured. This is generally known as medical underwriting.

- (b) This rider provides added protection against termination. If this rider lapses, this rider and policy may be reinstated if requested within 5 months of the date of termination, and if the following conditions are met:
- we are furnished with satisfactory proof that you were unable to perform at least two of the Activities of Daily Living, or had a Cognitive Impairment on the date of termination; and
 - you pay all amounts overdue as stated in the underlying policy.

All rights under this rider will be the same as they were just before the rider terminated.

(c) Effect on the Life Insurance Policy and Rider.

This rider interacts with the life insurance policy to which it is attached. Each rider benefit payment reduces the benefits and values under the life insurance policy. Once benefits are paid under this rider, you and the Life Insured will receive a monthly statement showing the amount of benefits paid and the effect of such payments on the policy insurance benefits and cash values, as well as the maximum rider benefits available. Benefits under this rider affect the life insurance policy as follows.

- Partial Surrenders and Terminal Illness Accelerated Benefit. Any partial surrender or acceleration of the Insurance Benefit due to Terminal Illness, including those made during a Period of Care under this rider, reduces the Maximum Monthly Benefit Amount, resulting in a new Maximum Monthly Benefit Amount, as determined by us. Such reduction will be effective as of the effective date of the partial surrender or acceleration of the Insurance Benefit.
- Insurance Benefit and Face Amount. Each monthly benefit payment reduces the current Face Amount, resulting in a new Face Amount.
- Cash Value. Each Accelerated Benefit amount reduces the current Cash Value, resulting in a new Cash Value.
- Loans. Prior to payment of a monthly Accelerated Benefit payment, a portion of the payment will be used to repay part of any loans under the policy, thus reducing the amount available for long term care expenses.

(d) This rider includes an International Coverage Benefit.

The International Coverage Benefit provides that we will pay the actual charges incurred by the Life Insured for covered Qualified Long Term Care Services up to the Maximum Monthly Benefit Amount for care received outside the United States. The Benefit Period applicable to the International Coverage Benefit is limited to 12 months.

(e) Optional Benefit.

Residual Life Insurance Benefit and Continuation of Acceleration Rider – This acceleration rider provides an initial Residual Life Insurance Benefit and extends the benefit provided by the Acceleration of Life Insurance Benefit for Qualified Long Term Care Services Rider . The benefit for the Residual Life Insurance Benefit and Continuation of the Acceleration Rider becomes effective after monthly benefit payments under the Acceleration Rider cease due to Full Acceleration. The Maximum Monthly Benefit Amount provided by this rider, as of the issue date of the rider, is shown in the Policy Specifications page for this rider.

The Residual Life Insurance Benefit is the amount payable upon receipt of due proof of the Life Insured's death to the extent that the Residual Life Insurance Benefit exceeds the Face Amount under the policy at the time of death. A payment made pursuant to this rider satisfies the Company's obligation under both the policy and this rider.

15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU OR THE LIFE INSURED HAVE GENERAL QUESTIONS REGARDING LONG TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LONG TERM CARE INSURANCE RIDER.