



Money laundering was a concern for financial institutions like John Hancock before September 11, 2001, but it really came to the public's awareness with the passage of the USA PATRIOT Act. Conducting business with money launderers, including those with terrorist or narcotics connections, is illegal and puts the company's reputation and brand in jeopardy.

Together, it is our responsibility to help prevent money laundering. It's simply the right thing to do, and is consistent with our corporate values of integrity and professionalism.

This letter will provide you with information to assist you in helping to detect money laundering and reporting it to the appropriate company personnel. Please take a moment to review this information to enhance your understanding of key aspects of detecting money laundering and stopping it in its tracks.

Consequences of a Money Laundering Incident

A money laundering incident can have far reaching consequences. It can result in severe civil and criminal penalties for the company, its producers, officers, directors, and employees. In addition a money laundering situation which we knowingly or unknowingly allowed could result in the following:

- Tarnish John Hancock and the producer's reputation
- Damage relationships with our business partners
- Erode the trust of customers and regulators

Know Your Customer

John Hancock producers are responsible for ensuring that accurate information is provided on the insurance application and on any other documentation required for the issuance of a covered product and related transaction. Basic identifying information required during the application process includes:

- Name
- Date of Birth
- Permanent Residence Address
- Social Security Number or Tax Identification Number

Be Alert to Potential Suspicious Activities

While no singular activity can automatically be considered money laundering, combinations of activities such as those that follow should raise concerns:

- Requests or attempts to use unusual payment methods like cash or excessive use of cash equivalents.
- Payment patterns seemingly structured to avoid government reporting requirements.
- Customers expressing more interest in a product's early termination features than its performance.
- Customers who are reluctant to provide identifying information.
- Payments by an apparently unrelated third party.
- Substantial overpayments followed by requests for overpayment refunds.
- Request for refund or transfer of benefits to an unrelated third party.
- Large numbers of wire transfers to unrelated third parties.
- Customers who borrow the maximum amount shortly after purchase.
- Frequent rollover/surrenders with no regards for costs.
- Product applications inconsistent with customer needs and/or goals.

Please remember if you believe you are aware of a potential suspicious activity related to money laundering to contact the John Hancock AML Office at 1-800-854-9979 or stopmoneylaundering@jhancock.com .