
John Hancock Financial Services

Long-Term Care Insurance
P.O. Box 111
Boston, MA 02117



Marianne Harrison
President

October 27, 2011

Important Announcement Regarding Your John Hancock Group Long-Term Care Insurance Plan

Last year, we notified you of our decision to suspend sales to new employer groups, with the intention of continuing routine ongoing enrollments. We felt that was the most prudent action we could take at the time, as we evaluated our product pricing and design in light of the economic environment.

Unfortunately, we now find it necessary to discontinue all enrollment activity under our existing group policies, effective January 1, 2012. This difficult decision is the direct result of the low interest rate environment that is expected to continue for an extended period of time.

John Hancock had hoped that the business environment would stabilize or improve since our announcement of last year. However, prolonged low interest rates recently became a certainty, with the government signaling in September its commitment to keep rates low for the next two years. Our products assume a certain level of investment returns, which are influenced by the interest rate environment. When actual returns are significantly lower than what was assumed in our pricing, the business being sold in these circumstances is not economically viable.

We will continue to process enrollment applications postmarked by December 31, 2011, but will not be able to process applications postmarked after that date. We will communicate with any applicants who submit an application after this deadline. The cessation of enrollment activity is a global action that applies not only to group policies that will receive an in-force premium rate increase, but also to policies that are not subject to an in-force rate increase.

We understand that the timing of this announcement may be disruptive to your 2012 benefit plans and that your employee benefit materials may have been finalized and perhaps already distributed to employees. We sincerely apologize for any inconvenience our action may cause you. To help you communicate this decision to your employees, we have included with this notification the following material:

- a sample employee notice that you may choose to use at your discretion
- an FAQ that you may use to respond to employee questions about this action

In addition, we intend to post the attached notice in your enrollment kits and enrollment website (if applicable) beginning November 1st. All web-based enrollment capability will be disabled on January 1, 2012.

Once again, we apologize for having to take this action at this time, especially with such short notice. We want you to know that providing products and services for the group long-term care insurance market remains our long-term goal. In that respect, we have been working to develop innovative, new products for the group market that will not be as sensitive to fluctuations in the economy. This will take time, but we will keep you apprised of our progress. In the meantime, please be assured that your existing insureds will continue to receive ongoing service throughout the life of their coverage.

If you have any questions, please contact your account executive. Thank you for your understanding.

Sincerely,

A handwritten signature in blue ink that reads "Marianne Harrison".

Long-term care insurance is underwritten by John Hancock Life & Health Insurance Company, Boston, MA 02117; John Hancock Life Insurance Company (U.S.A.), Boston, MA 02117 (licensed in all states except New York; permitted in New York to service existing insureds and clients).

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