

Structured Settlements

JOHN HANCOCK –

A trusted name in insurance and financial services for over 140 years and among the most financially secure companies in the industry – is strategically positioned as a prominent carrier in the structured settlement marketplace.

From our product design to our investment philosophy, the conservative approach we take toward our business helps to protect the financial future of our customers.

In personal physical injury and workers' compensation claims, structured settlements can provide income tax-free periodic payments to claimants and beneficiaries in accordance with Section 104(a) of the Internal Revenue Code.

A structured settlement has tax advantages over cash lump sum settlements and can be beneficial for claimants needing income replacement, educational funds, medical reimbursement, retirement assistance and future support requirements.



John Hancock Assignment Company is the assignee obligated to make the payments to you backed by an insurance policy issued by John Hancock Life Insurance Company (U.S.A.) (not licensed in New York) or John Hancock Life Insurance Company of New York.

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STRUCTURED SETTLEMENTS

Why Choose a Structured Settlement?

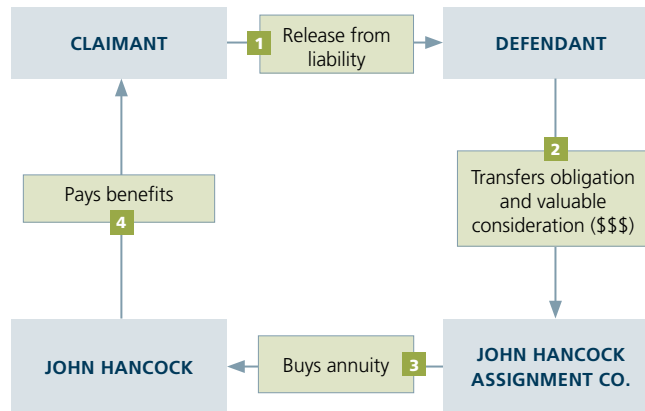
Structured settlements provide future financial security for the claimant following personal physical personal injury and workers' compensation claims or litigation.

- Payments are income tax-free to the claimant, which makes a Structured Settlement Annuity an attractive alternative to investments with taxable income.
- Claimants avoid the risks and fees associated with some other types of investments.
- Payments are tailored to meet the claimant's individual needs, such as income replacement, lump-sum payments for special equipment, or college funds for dependent children.



How a Structured Settlement Works

- 1 Defendant and claimant reach a settlement that includes the claimant receiving multiple payments in the future.
- 2 Defendant transfers obligation to make those payments to John Hancock Assignment Company (JHAC) in exchange for valuable consideration.
- 3 JHAC purchases an annuity from John Hancock to fund the obligation to make payments (payments are guaranteed by John Hancock).
- 4 John Hancock makes the payments to the claimant.



Benefits of Tax-Free Payments

A structured settlement maximizes the value of your settlement because the payments are exempt from income taxation. This favorable tax status can outweigh the benefits of investments with a higher upfront return or yield.

The table below shows a standard structured settlement payment illustration next to one where taxes have been applied to the payments. As you can see, you would need to earn 7.2% (or a significantly higher rate of return) in order to equal the same payout of a structured settlement annuity.

BENEFITS OF TAX-FREE PAYMENTS		
	John Hancock Structured Settlements	Hypothetical Taxable Investment (2010 tax year)
Deposit	\$250,000	\$250,000
Monthly Benefit Pre-tax	\$1,034	\$1,436
Taxes*	\$0	\$402
Monthly Benefit Post-tax	\$1,034	\$1,034
IRR	4.7%	7.2%

This example is based on 30 year old female, Life Only benefit. Payout for JH Structured Settlement is illustrative only. Assuming 28% tax rate.

DAILY RATES		
Premium Amount	Field or Daily Rates	Monthly Benefit per \$1K in Premium
\$10K to \$200k	Field Only	\$35.70
\$200k to \$1M	Daily	\$41.40
\$1M +	Daily Only	\$41.60

Daily rates allow John Hancock to offer the current market price. Our daily rates typically offer higher returns than our field rates.

This hypothetical illustration is a general description of coverage and is not an insurance contract. Refer to the contract provided by your representative for an explanation of features and benefits. Only the contract/certificate contains governing contractual provisions. You may request a sample contract to review such provisions.