



## Underwriting Guidelines for Foreign Residents

August 2013

General Guidelines		
Parameters	Foreign Nationals <sup>1</sup>	U.S. Citizens Residing Abroad <sup>1</sup>
<b>Solicitation</b>	<ul style="list-style-type: none"> <li>All solicitation must take place in the U.S., regardless of the country of residence</li> <li>Solicitation includes, but is not limited to, the illustration process, completion of the application and underwriting requirements, including examinations and delivery of the policy</li> <li>See "U.S. Connections Guidelines" on page 2</li> </ul>	<ul style="list-style-type: none"> <li>All solicitation must take place in the U.S., regardless of the country of residence</li> <li>Solicitation includes, but is not limited to, the illustration process, completion of the application and underwriting requirements, including examinations and delivery of the policy</li> </ul>
<b>Minimum Issue Age</b>	20	
<b>Maximum Issue Age</b>	<ul style="list-style-type: none"> <li>75 for A, B and C countries</li> <li>70 for D countries</li> </ul>	<ul style="list-style-type: none"> <li>75 for A, B and C countries</li> <li>70 for C countries if net worth less than \$5 million</li> <li>70 for D countries</li> </ul>
<b>Minimum Net Worth</b>	\$5 million U.S. or equivalent	N/A
<b>Minimum Face Amount</b>	\$1 million	Minimum face amount for product
<b>Maximum Mortality Rating</b>	200%	
<b>Maximum Capacity<sup>2</sup></b>	<ul style="list-style-type: none"> <li>\$35 million for A and B countries</li> <li>\$12 million for C and D countries</li> <li>\$40 million for Canada</li> </ul>	
<b>Jumbo Limit<sup>3</sup></b>	\$35 million <sup>4</sup>	
<b>Premium Payment</b>	Premium must be paid from a pre-existing U.S. bank account and billing address. The account and address must exist for more than just this insurance	
<b>Ownership Structure</b>	<ul style="list-style-type: none"> <li>The owner must have a U.S. Tax ID, SSN or must complete W-8BEN (<a href="http://www.irs.gov/pub/irs-pdf/fw8ben.pdf">www.irs.gov/pub/irs-pdf/fw8ben.pdf</a>)</li> <li>Two-party ownership (i.e., personal ownership) is allowed</li> <li>Offshore trusts are not allowed</li> </ul>	
<b>Purpose of Insurance</b>	Purpose of insurance must be clearly outlined, and a reasonable, demonstrable insurable loss must exist	

- A foreign resident for life insurance purposes must be either:
  - A U.S. citizen who resides outside the U.S. for more than six months per year (183 days) OR
  - A foreign national – a non-U.S. citizen who resides outside the U.S. for more than six months per year (183 days), has a meaningful tie to the U.S., and has a net worth of \$5 million U.S. or more
- Capacity may vary in the following scenarios:
  - For ages 71–75 (where applicable)
  - For U.S. citizens, if net worth is less than \$5 million U.S. or equivalent
  - For residents of China, Hong Kong, Macau and Singapore
  - For M-proprietary products
- The Jumbo Limit is the sum of all inforce coverage plus pending formal applications including ultimate amounts on John Hancock policies. Existing insurance that is being replaced will be deducted, providing we receive a fully executed absolute assignment transferring ownership to John Hancock.
- The Jumbo Limit for Canada is \$65 million; does not apply to M-proprietary products.

## U.S. Connections Guidelines

Foreign nationals have several options to satisfy the U.S. connections needed for John Hancock coverage. The proposed insured and owner must meet one of the following criteria:

1. Owning real estate in the U.S.
2. Owning a business in the U.S. or working for a U.S. company
3. U.S. tax liability
4. Immediate family relation(s) residing in the U.S., and
  - 25% of assets required to justify the amount applied for must be U.S. assets that have been held in the U.S. for at least six months prior to application
5. Having financial assets in the U.S.
  - 25% of assets required to justify the amount applied for must be U.S. assets that have been held in the U.S. for at least six months prior to application, and
  - Minimum 15 days presence in the U.S. annually

Example	
Application	<ul style="list-style-type: none"> <li>• 55-year-old male, citizen of Argentina</li> <li>• Applying for \$10 million (typically would require net worth of \$5–6 million to qualify); no coverage in force with John Hancock</li> <li>• Net worth – \$8 million (\$2 million U.S.; \$6 million foreign)</li> </ul>
U.S. Connection	<ul style="list-style-type: none"> <li>• \$2 million U.S. brokerage account (i.e., more than 25% of the \$5–6 million required to justify face amount), and</li> <li>• 3 week-long trips per year to Miami for business</li> </ul>
Amount Offered	\$10 million as applied for

## Coverage Parameters (all countries A–D)

- **Permanent products** — All John Hancock permanent fully underwritten life insurance products are available. The same capacity is used for both Individual and Survivorship policies. Please note that for Survivorship coverage, both lives must meet issue age requirements and available capacity will be based on the age of the younger life (providing both lives are insurable)
- **Term products** —
  - Foreign nationals may purchase Term coverage only for U.S. business purposes, e.g., a U.S. corporation insuring a keyman in a foreign subsidiary
  - U.S. citizens may qualify for Term insurance to be used for any purpose
- **Occupations** — Proposed insureds in certain occupations, and in some cases their family members, are uninsurable, for example, government or military personnel, missionaries, journalists, diplomats, members of the judiciary, security personnel, trade union officials
- **Aviation** — Individual policies may be offered to private pilots only, with an aviation exclusion; Survivorship policies not available with aviation risk
- **Riders** — Underwritten riders are not available, e.g., Waiver of Monthly Deductions, Disability Payment of Specified Premium, Return of Premium, Increasing Supplemental Face Amount and Long-Term Care
- **Travel advisory** — Coverage may not be available in any country with a travel warning or alert in effect
- **C and D countries** — Coverage available only for individuals residing in approved major cities; ask your underwriter for more information

## Underwriting Requirements

The following requirements are in addition to the routine U.S. age and amount requirements:

- ✓ *Foreign Resident Inquiry Form* (NB5158) — must be completed and submitted prior to submitting a formal application
- ✓ A completed *Financial Supplement for Personal Insurance* (NB5125) or *Financial Supplement for Business Insurance* (NB5124)
- ✓ Five-year medical history
- ✓ The Attending Physician’s Statement (APS) must be provided in English. John Hancock does not cover translation fees and the translator should be at arm’s length to the sale
- ✓ For foreign nationals only, also submit the following:
  - Broker’s cover letter of introduction outlining the need for insurance, source of referral, background information and other publicly available information
  - Proof of identity, e.g., copy of passport or Visa
  - Letter of reference from financial institution with account value and duration of relationship. If not provided, detailed account statements must be submitted to support the declarations on the *Financial Supplement for Personal Insurance* (NB5125) or *Financial Supplement for Business Insurance* (NB5124)

Additional requirements may be requested at the discretion of the underwriter.

## Risk Class Availability by Country Code

Risk Class <sup>1</sup>	Country Code			
	A <sup>2</sup>	B	C <sup>3</sup>	D <sup>3</sup>
<b>Non-Smoker</b>				
Super Preferred	✓	✓		
Preferred	✓	✓	✓	✓
Standard Plus <sup>4</sup>	✓	✓	✓	✓
Standard	✓	✓	✓	✓
<b>Smoker</b>				
Preferred	✓	✓	✓	✓
Standard	✓	✓	✓	✓

1. Best Class will be reduced for U.S. citizens living abroad who do not have a net worth equivalent to \$5 million U.S. or more.

2. Eligibility for HealthStyles credits may be considered for Country A risks.

3. For C and D countries, applicants must live in approved major cities; please consult with your underwriter. Also note that flat extra ratings apply for C and D countries.

4. Standard Plus is available depending on product selection.

## Capacity — High Net Worth Individuals

The following is a summary of available capacity for high net worth foreign residents if there is no additional coverage in force with John Hancock:

Country of Residence	Country Code	Capacity	
		Ages 20–70	Ages 71–75
Hong Kong & Macau	A	\$30,000,000	\$30,000,000
Singapore	A	\$32,000,000	\$30,000,000
All other A	A	\$35,000,000	\$30,000,000
China – B cities	B	\$27,000,000	\$21,000,000
All other B	B	\$35,000,000	\$30,000,000
China – C cities	C	\$12,000,000	\$6,000,000
All other C	C	\$12,000,000	\$6,000,000
All D	D	\$12,000,000	\$0

**IMPORTANT NOTE:** Survivorship capacity and grading is based on the younger life, unless that life is uninsurable.

## Country Code Classification

"A" Countries				
Andorra	Czech Republic	Israel (excluding West Bank, Gaza & Golan Heights)	Netherlands	Spain
Australia	Denmark		New Zealand	Sweden
Austria	Finland	Italy	Norway	Switzerland
Barbados	France	Japan	Poland	Taiwan
Belgium	Germany	Korea	Portugal	United Kingdom
Bermuda	Greece	Liechtenstein	Qatar	
British Virgin Islands	Hong Kong	Luxembourg	San Marino	
Canada	Hungary	Macau	Singapore	
Cayman Islands	Iceland	Malta	Slovak Republic (Slovakia)	
Cyprus	Ireland	Monaco	Slovenia	

"B" Countries				
Albania	Brunei Darussalam	Croatia	Lithuania	Oman
Anguilla	Bulgaria	Dominica	Macedonia	Panama
Antigua & Barbuda	Canary Islands	Estonia	Malaysia	Romania
Argentina	Chile	French Polynesia	Martinique	Seychelles
Bahamas	China (upgraded cities only; see "Important Notes" below)	Guadeloupe	Mauritius	Turks and Caicos
Bosnia & Herzegovina		Kuwait	Mexico	United Arab Emirates
Brazil	Costa Rica	Latvia	Montenegro	Uruguay

## Country Code Classification

"C" Countries <sup>1</sup>			
Armenia	Jamaica	Peru	Tonga
Belarus	Kazakhstan	Russia	Trinidad & Tobago
Belize	Maldives	Samoa	Turkey
China	Micronesia	Saudi Arabia	Ukraine
Cook Islands	New Caledonia	Serbia	Vietnam
Dominican Republic	Northern Mariana Islands (Saipan, Rotai, Tinan)	Sri Lanka	
Ecuador		St. Kitts and Nevis	
El Salvador	Palau	St. Lucia	
Grenada	Paraguay	St. Vincent & The Grenadines	

1. A residency extra of \$1 applies for "C" countries.

"D" Countries <sup>2</sup>				
Bhutan	Fiji	Honduras	Mongolia	South Africa
Bolivia	French Guyana	India	Nambia	Suriname
Botswana	Gabon	Indonesia	Nicaragua	Thailand
Cape Verde Islands	Guatemala	Moldova	Philippines	Venezuela

2. A residency extra of \$2 applies for "D" countries.

"E" Countries — Coverage Not Available				
Afghanistan	Côte d'Ivoire (Ivory Coast)	Jordan	Nepal	Tanzania
Algeria	Cuba	Kenya	Niger	Tibet
Angola	Djibouti	Kiribati	Nigeria	Timor-Leste
Azerbaijan	Egypt	Kyrgyzstan	Niue	Togo
Bahrain	Equatorial Guinea	Laos	North Korea	Tunisia
Bangladesh	Eritrea	Lebanon	Pakistan	Turkmenistan
Benin	Ethiopia	Lesotho	Palestine	Tuvalu
Burkina Faso	Gaza	Liberia	Papua New Guinea	Uganda
Burundi	Gambia	Libya	Rwanda	Uzbekistan
Cambodia	Georgia	Madagascar	Sao Tome & Principe	Vanuatu
Cameroon	Ghana	Malawi	Senegal	West Bank
Central African Republic	Golan Heights	Mali	Sierra Leone	Western Sahara
Chad	Guinea	Marshall Islands	Solomon Islands	Yemen
Colombia	Guinea Bissau	Mauritania	Somalia	Zambia
Comoros	Guyana	Morocco	Sudan	Zimbabwe
Congo	Haiti	Mozambique	Swaziland	
Congo, Dem People's Rep (formerly Zaire)	Iran	Myanmar	Syria	
	Iraq	Nauru	Tajikistan	

### IMPORTANT NOTES:

- Certain cities in China qualify as Country Code B. Please ask your underwriter for more information
- C and D countries — coverage available only for individuals residing in approved major cities
- High-risk areas within some countries may be uninsurable. Contact your underwriter for details
- Country Codes are subject to change

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