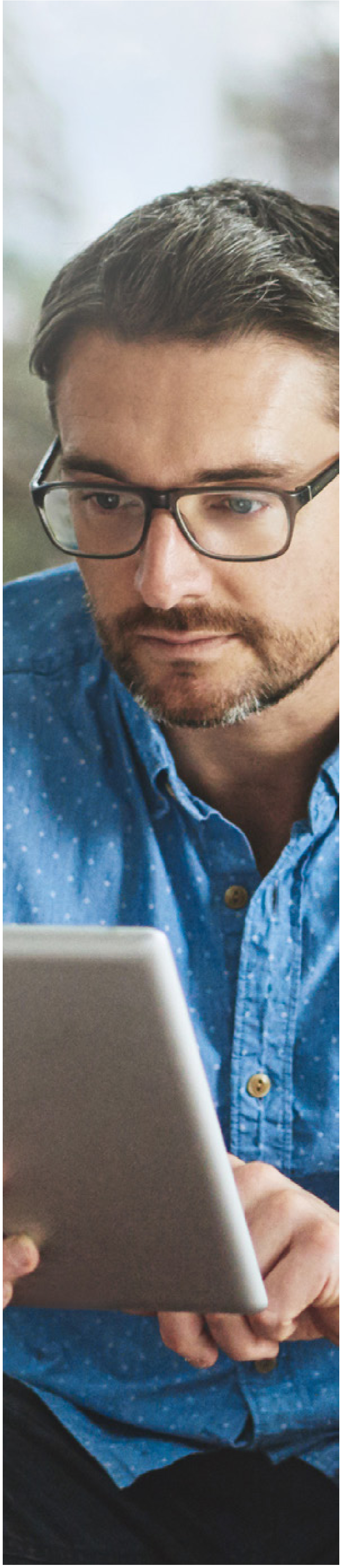

Your retirement plan statement and lifetime income illustrations

Every quarter, you receive a statement from your retirement plan provider—John Hancock—showing your account balance. The first statement you receive this year will also include a lifetime income illustration (LII), as required by the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019.

The idea behind the LII is to provide you with an estimate of how much monthly income the account balance shown on your statement could generate in retirement.

Once per year, you'll see your account balance as of the end of the quarter displayed two ways:

1 As estimated monthly payments in the form of a single life annuity, and

2 as estimated monthly payments in the form of a qualified joint and survivor annuity.[1]

These estimates are provided for illustrative purposes only and don't mean that your retirement plan offers single life or joint and survivor annuities. They only provide an estimate of how much money your savings could generate for you monthly in retirement.

1 These options are for illustrative purposes only. Annuity options may not be available in your plan.

How to read the LII on your retirement plan statement

The LII provides you with information about how much monthly income you could expect if you were to retire as of the statement date based on your current account balance. The estimated monthly payments aren't a guarantee; rather, these estimates are provided for illustrative purposes only. Having this information may help you plan how much money to save for retirement.

The LII appears at the end of your statement and shows:

Current account balance	$89,435
Single life annuity	$438 per month for life, assuming you're age 67 by December 31, 2021
Qualified joint and 100% survivor annuity (if applicable)	$359 per month for your lifetime and $359 per month for the lifetime of your surviving spouse, assuming you and your spouse are age 67 by December 31, 2021

For illustrative purposes only.

A single life annuity is an arrangement that pays you a fixed amount of money each month for the rest of your life. Following your death, no further payments would be made to your spouse or heirs.

The hypothetical example above shows you with an account balance of $89,435. If you retired on December 31, 2021, and were to receive single life annuity payments, we estimate that you'd receive $438 per month starting at retirement.

A qualified joint and 100% survivor annuity is an arrangement that pays you and your spouse a fixed monthly payment for the rest of your joint lives. In addition, after your death, this type of annuity would continue to provide the same fixed monthly payment to your surviving spouse for life.

In the same example, if you were to receive 100% qualified joint and survivor annuity payments, we estimate that you'd receive $359 per month starting at retirement and, after your death, your surviving spouse would receive $359 per month.

There are many different annuities available that use different formulas to calculate the monthly payments. An annuity with a lower survivor percentage may be available. Reducing the survivor percentage (below 100%) would increase monthly payments during your lifetime but would decrease how much your surviving spouse would receive after your death.

How the LIIs are different from the projections available on the retirement plan website

The government-required calculation of lifetime income only takes into account your retirement account balance as of the date of the statement. And it assumes you're retiring *as of the statement date* and will *not* continue to save in your employer-sponsored retirement plan.

On the other hand, the projections you get from the retirement planner on **myplan.johnhancock.com** and on John Hancock's retirement app *do* assume you'll continue to save in your retirement plan until you *actually* plan to retire and provide future expense projections. You can also add more information about yourself and your plans for retirement to personalize the projections even further.

How the calculations are made

The formulas for the LIIs use a specific set of assumptions.

The estimated monthly payments in the statement:

- Assume that your account balance is 100% vested.
- Assume that, if you've taken a loan from the plan and you're not in default, the loan has been fully repaid.
- Assume that you're retiring as of the statement date—so it assumes you were age 67, the normal retirement age—on the last day of the statement period. If we have your birth date on file, and you're older than age 67 on the statement date, we'll use your current age and assume you're retiring as of the statement date.
- Assume that you're married with a spouse who's the same age as you (even if neither assumption is true) in order to calculate the estimated monthly payments for a 100% qualified joint and survivor annuity.
- Are based on the 10-year constant maturity U.S. Treasury securities yield rate as of a given date, as required by federal regulations. This rate fluctuates based on market conditions. The lower the interest rate, the smaller your monthly payment will be, and the higher the interest rate, the larger your monthly payment will be.
- Are based on how long you and your spouse, who's assumed to be your age, are expected to live. Federal regulations require that your life expectancy be estimated using gender-neutral mortality assumptions established by the IRS.
- Are the same whether you're male or female. This is required for annuities payable from an employer's plan; however, the same amount paid for an annuity available outside of an employer's plan may provide a larger monthly payment for males than for females since females are expected to live longer.
- Are based on prevailing market conditions and other assumptions required under federal regulations. If you decide to purchase an annuity, the actual payments you receive will depend on a number of factors and may vary substantially from the estimated monthly payments in this statement. For example, your actual age at retirement, your actual account balance (reflecting future investment gains and losses, contributions, distributions, and fees), and the market conditions at the time of purchase will affect your actual payment amounts.
- Don't increase each year with a cost-of-living adjustment, like Social Security payments do. Therefore, as prices increase over time, the fixed monthly payments will buy fewer goods and services.

Because the LII assumes you're retiring as of the statement date at age 67, you should be aware that:

- If you were to retire at a younger age, the monthly payments you could expect would be lower than what's shown in the LII because payments would then be made over more years.
- If you were to retire at an older age, you could expect higher monthly payments because they'd be made over fewer years.
- If your spouse is younger, monthly payments would be lower than shown because they'd be expected to be paid over more years.
- If your spouse is older, monthly payments would be higher than shown because they'd be expected to be paid over fewer years.

The projected retirement income estimates for your current John Hancock accounts, future contributions, employer contributions (if applicable), and other accounts set aside for retirement used in this calculator are hypothetical, for illustrative purposes only, and do not constitute investment advice. Results are not guaranteed and do not represent the current or future performance of any specific account or investment. Due to market fluctuations and other factors, it is possible that investment objectives may not be met. Investing involves risks, and past performance does not guarantee future results.

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