

October 1, 2026

Next round of in-force rate action notifications to take place in late October

In late October, we will begin policyholder notifications on the next round of John Hancock and Fortis policies impacted by the in-force rate actions, as applicable, which will have an effective date beginning with anniversaries on or after **February 1, 2027**.

2022 RATE ACTION

JOHN HANCOCK

John Hancock LTCI individual policies originally issued in **Louisiana, Montana, Nevada, Rhode Island and Wyoming** are impacted.

We will continue the implementation of the 2022 rate increase for policyholders in **Connecticut, Hawai'i, North Carolina and Texas** who received an initial "capped" or "phased-in" increase.

FORTIS

Union LTCI individual policies originally issued in **Iowa, Montana and Nevada** are impacted.

2019 RATE ACTION

JOHN HANCOCK

We will continue the implementation of the 2019 rate increase for policyholders in **Hawai'i** who received an initial "capped" or "phased-in" increase.

COMMUNICATIONS TIMELINE

Policyholder Notification Package (at least 90-day notification)	10/28/2026
Policy Anniversary (rate increase effective date)	2/1/2027

Policyholders impacted by the rate actions will be grouped by policy anniversary month and will be notified in waves, at least 90 days in advance of their policy anniversary. Note: State policyholder drops will be spread over several weeks to help manage service demands. Notification packages will be available to view immediately after printing, prior to mailing to impacted policyholders.

Implementation Information

Beginning in late October, we will be sending notifications to policyholders who are impacted by the 2022 rate actions, while continuing to send notifications to policyholders impacted by the 2019, the 2016, the 2013 and the 2010 rate actions. Your client's Policyholder Notification Package will identify

the applicable rate action along with any specific details on the rate increase amount and state implementation, such as a capped or phased-in increase.

IMPORTANT: New Option Available to Policyholders impacted by the 2022 rate action

LTC Buy-Out Offer and Policy Termination Option

We know premium rate increases on our policies may be challenging and the expected long-term care needs for the policyholder may have changed since purchasing their policy. Therefore, we have developed the LTC Buy-Out Offer and Policy Termination Option to consider as an alternative to the current premium rate increase and other mitigation options. We do not anticipate making this LTC Buy-Out Offer and Policy Termination Option available during future rate increases.

If this option is elected, the LTC policy will terminate **effective immediately**. No future inflation adjustments will apply, and all optional riders will terminate. No claim for a previous or future loss will be eligible for consideration under a terminated policy, and the policy will not be eligible for restoration if this offer is elected. **This change will be effective immediately, if elected.** Once the policy is terminated in exchange for the LTC Buy-Out Offer Amount, the policy will no longer be active, and the policyholder will have only 30 days to change their mind. After that time the acceptance of this LTC Buy-Out Offer and Policy Termination Option cannot be undone, and the policy cannot be restored.

It is important for the policyholder to carefully consider the LTC Buy-Out Offer and Policy Termination Option. This option may not be right for everyone, please advise your customer to consult a financial professional, tax and/or legal professional and family members before making the decision to elect this option.

Policyholders eligible for LTC Buy-Out Offer and Policy Termination Option:

- Policyholders in states in which the option has been approved (Florida will not be eligible)
- Policyholders under issue age 70 with a rate increase
- Eligible product series:
 - Gold
 - Custom/Essential Care
 - Custom/Essential Care II
 - Custom Care II (2007)

Please see pages 4 - 7 of this communication for more information about the rate action process.

JOHN HANCOCK AND FORTIS* POLICIES IMPACTED

State & Company	Impacted Policy Series**	2022 Approval & Implementation Details
Louisiana John Hancock	Custom Care III (2012)	• Increase capped and phased-in over 2 years for all policies • Landing spots will not be available • Shared Cost Option will not be available • Buy-Out Option will not be available • DRA Partnership states¹
Nevada John Hancock	Custom Care III (2012)	• Increase accepted in full and phased-in over 2 years for all policies • Landing spots will be offered to eligible policyholders • Shared Cost Option will not be available • Buy-Out Option will not be available
Rhode Island John Hancock	Custom Care III (2012)	• Increase accepted in full and phased-in over 2 years for all policies • Landing spots will not be available • Shared Cost Option will not be available • Buy-Out Option will not be available • DRA Partnership states¹
Wyoming John Hancock	Custom Care III (2012)	• Increase accepted in full and phased-in over 3 years for all policies • Landing spots will not be available • Shared Cost Option will not be available • Buy-Out Option will not be available • DRA Partnership states¹
Montana John Hancock/Time	Time 4060's & 4070's	• Increase capped for all policies • Landing spots will not be available • Shared Cost Option will not be available • Buy-Out Option will not be available
Nevada John Hancock/Time	Time 4060's	• Increase capped and phased-in over 3 years for all policies • Landing spots will be offered to eligible policyholders • Shared Cost Option will be offered to eligible policyholders • Buy-Out Option will not be available
Iowa Fortis	Union 6060's & 7060's	• Increase capped and phased-in over 2 years for all policies • Landing spots will be offered to eligible policyholders • Shared Cost Option will be offered to eligible policyholders • Buy-Out Option will not be available
Montana Fortis	Union 6060's & 6070's	• Increase capped for all policies • Landing spots will not be available • Shared Cost Option will not be available • Buy-Out Option will not be available

State & Company	Impacted Policy Series**	2022 Approval & Implementation Details continued
Nevada Fortis	Union 6060's & 7060's	• Increase accepted in full and phased-in over 3 years for all 7000 series policies • Increase capped and phased-in over 3 years for all 6000 series policies • Landing spots will be offered to eligible policyholders • Shared Cost Option will be offered to eligible policyholders • Buy-Out Option will not be available
Connecticut John Hancock Partnership & Non-Partnership	Gold Custom/Essential Care Custom/Essential Care II Custom Care II (2007) Custom Care II Enhanced (2008 & 2010) Leading Edge Custom Care III	• Phase 3 (final) of 2022 increase • Landing spots will not be available • Shared Cost Option will not be available • Buy-Out Option will not be available
North Carolina John Hancock	Leading Edge	• Phase 2 (of 3) of 2022 increase • Landing spots will not be available • Shared Cost Option will not be available • Buy-Out Option will not be available
Texas John Hancock	Leading Edge	• Phase 2 (final) of 2022 increase • Landing spots will not be available • Shared Cost Option will not be available • Buy-Out Option will not be available
State & Company	Impacted Policy Series**	2019/2022 Approval & Implementation Details
Hawai'i John Hancock	Custom Care II Enhanced (2008) Leading Edge Custom Care III	• Phase 2 (of 3) of 2019/2022 increase for all Custom Care III policies with CPI • Phase 2 (of 4) of 2019/2022 increase for all Custom Care III policies without CPI, Custom Care II Enhanced (2008) policies with CPI and Leading Edge policies with CPI • Phase 2 (of 5) of 2019/2022 increase for all Custom Care II Enhanced (2008) policies without CPI and Leading Edge policies without CPI • Landing spots will not be available • Shared Cost Option will not be available

*Long-Term Care insurance policies are insured and administered by John Hancock Life Insurance Company (U.S.A.) (Not licensed in New York). Long-term care insurance underwritten by Time Insurance Company are insured and administered by John Hancock Life Insurance Company (U.S.A.). Long-term care insurance policies underwritten by Union Security Insurance Company and Union Security Life Insurance Company of New York are administered by John Hancock Life Insurance Company (U.S.A.).

**There may be certain products under the listed policy series not currently impacted.

¹DRA Partnership state – LA, RI, WY – As there are no landing spots, there is no landing spot impact to policyholders.

Producer Notification Package

You may view your affected clients' notification packages exclusively online, through John Hancock's e-Delivery program. View the current notification packages by visiting www.jhsaleshub.com and registering for access to your online documents.

Policyholder notification packages will be available to view immediately after printing, prior to being mailed to impacted policyholders. The package provides details regarding any options available to help your affected clients to reduce or mitigate the premium increase. **Note:** If you do not receive a policyholder notification package in any given month, it means that you do not have any affected clients for that month.

Once policyholders receive their package, they are encouraged to contact one of our customer service representatives at **844-272-7842** or visit the John Hancock Rate Action Information Center at www.jhinfocenter.com. Our customer service representatives will be able to answer questions and help policyholders make decisions that meet their personal needs. Producer-related questions can also be directed to **844-272-7842**.

Policyholder Notification Packages

Policyholders who are impacted by the rate action will be notified at least 90 days in advance of their upcoming policy anniversary. The notification package will include, as applicable:

- Letter about the rate action
- Options Package
- Frequently Asked Questions
- Coverage Change Request Form
- LTC Buy-Out Offer and Policy Termination Option Election Form (if available)
- Important Things You Should Consider

Note regarding policyholders on claim: If your client is on claim or has had recent claim activity, they will receive a letter notifying them of the rate action but will not be impacted at this time. A sample of this letter can be found on www.jhsaleshub.com.

General Information

Rate Increase

- The specific percentage increase for an individual policyholder is based on policy series, original issue age, benefit period, daily/monthly benefit and inflation option, as well as issue state.
- Except as otherwise provided in the Policies Impacted table, for the 2022, the 2019, the 2016 and the 2013 rate actions, increases will apply to policyholders of all issue ages. For the 2010 rate action, rate increases will **not** apply to policyholders with an original issue age 80 and older, unless otherwise noted in the impacted policy section above.
- Policyholders on claim or with recent claim activity will be notified of the rate action; however, they will **not** be impacted until they are no longer on claim. Once off claim, they will receive specific information regarding the rate action, including a personalized option, and will be given the same 90-day notification.

Personalized Options (subject to state approval or acceptance and rate increase approval)

- LTC Buy-Out Offer and Policy Termination Option: Eligible policyholders will be offered the Buy-Out Offer as part of the rate increase notification. If this option is elected the LTC policy will terminate **effective immediately**. No future inflation adjustments will apply, and all optional riders will terminate. No claim for a previous or future loss will be eligible for consideration under a terminated policy, and the policy will not be eligible for restoration if this offer is

elected. **If elected, this change will be effective immediately.** Once the policy is terminated in exchange for the LTC Buy-Out Offer Amount, the policy will no longer be active, and the policyholder will have only 30 days to change their mind. After that time the acceptance of this LTC Buy-Out Offer and Policy Termination Option cannot be undone, and the policy cannot be restored. We do not anticipate making this LTC Buy-Out Offer and Policy Termination Option available during future rate increases.

- **Shared Cost Option:** Eligible policyholders will be offered a Shared Cost Option - a personalized percentage which, if elected, will reduce the policyholder's current daily or monthly benefit and overall policy limit by the offered percentage and introduce a coinsurance feature where the customer will pay their Shared Cost percentage of their covered service expenses. John Hancock will pay the remainder of the covered service expenses, but only up to and no more than the new daily or monthly maximum benefit amount and new overall policy limit.

Electing the Shared Cost Option will allow the policyholder to keep their premiums at their current levels while preserving more value in their policy compared to reducing their daily or monthly benefit or benefit period to keep their premiums at their current levels. If the premium rate increase is a "phased-in" increase, this offer is available in year one of the phase-in only and if elected it will mitigate all phases of the premium rate increase.

The Shared Cost Option will be offered to policyholders with automatic and GPO style inflations and will be offered in conjunction with inflation landing spots, LTC Buy-Out Offer and Policy Termination Option, Paid-up Policy Option, Contingent Nonforfeiture and other personalized options (daily or monthly benefit and benefit period reductions), where eligible.

- **Inflation rate reduction:** Policyholders with automatic compound or simple inflation may be offered an "inflation landing spot." * A landing spot is a reduction in the inflation percentage amount for future inflation increases applied to the benefit amount and policy limit. Accepting the landing spot allows the policyholder to keep their premium at its current level and allows them to preserve the increase in benefits already accrued to date. The landing spot is not available in most states in which the rate increase is capped for policyholders with automatic inflation. The landing spots will be offered in conjunction with the LTC Buy-Out Offer and Policy Termination Option, Shared Cost Option, Paid-Up Policy Option, Contingent Nonforfeiture and other personalized options (daily or monthly benefit and benefit period reductions), where eligible. **If the premium rate increase is a "phased-in" increase, this offer is available in year one of the phase-in only, and if elected it will mitigate all phases of the premium rate increase.**

*Some Advantage policies, when implemented, have limited (maximum of 20 years) 5% inflation; for these policies, a landing spot is not applicable. Landing spots are also not available to policies with CPI compound inflation, or to policyholders who elect to switch their inflation coverage after issue to automatic inflation at a fixed amount (where allowed by product/state).

- **Paid-Up Policy Option:** Eligible policyholders will be offered the paid-up policy option which, similar to a nonforfeiture benefit, will convert their policy to a paid-up status. No further premiums will be due, and their policy limit will be modified. The new policy limit will be equal to the lesser of the current policy limit or 150% of all premiums paid into the policy since issue, minus any benefits paid. No future inflation adjustments will apply, and all optional riders will terminate. **This option may significantly reduce policy benefits.** Other paid-up options may be available and may also significantly reduce policy benefits. The Paid-Up Policy Option will be offered in conjunction with the LTC Buy-Out Offer and Policy Termination Option, Shared Cost Option, Inflation Rate Reduction Option, Contingent Nonforfeiture and other personalized options (daily or monthly benefit and benefit period reductions), where eligible.
- **Contingent Nonforfeiture Benefit** may be an available option to policyholders. The availability of this option is based on the policyholder's issue age and cumulative premium rate increases

since policy issue. This option, if elected or if the policy lapses within 120 days of the premium increase date, will convert the policy to a paid-up status, where no additional premium will be required and the policy limit will be modified. The paid-up policy limit amount will be the sum of all premiums paid, minus any benefits paid. No future inflation adjustments will apply, and all optional riders will terminate. **This option may significantly reduce policy benefits.** Other paid-up options may be available and may also significantly reduce policy benefits. The Contingent Nonforfeiture option will be offered in conjunction with the LTC Buy-Out Offer and Policy Termination Option, Shared Cost Option, Inflation Rate Reduction Option, Paid-Up Policy Option and other personalized options (daily or monthly benefit and benefit period reductions), where eligible.

- Other personalized options will be shown in the notification package to those policyholders not being offered an inflation landing spot. The options shown will be a reduction of either their daily/monthly benefit or their benefit period (or some combination thereof) that results in keeping their premiums as close to their current premiums as possible. These personalized options are based on the policyholder's current level of coverage, as well as state/product minimum required benefit amounts. As the personalized options are calculated to keep premium as close to current premium as possible, **policyholders may have additional options to reduce benefits and may call John Hancock for more details or to obtain a quote.** **Note:** There may be some situations that prohibit personalized options from being illustrated in the package. For those situations, policyholders will be encouraged to call John Hancock for their options. Other personalized options will be offered in conjunction with the LTC Buy-Out Offer and Policy Termination Option, Shared Cost Option, Inflation Rate Reduction Option, Paid-Up Policy Option and Contingent Nonforfeiture, where eligible.

Notes

- Inflation landing spots and Shared Cost percentages may not be modified, as they have been filed with the state at a set rate.
- Policyholders will be given at least 90 days' notice of their rate increase, but if they are going to make a change to their policy, we recommend that they decide 30 days before their anniversary date, which will allow us time to process the change before their bill with the higher premium goes out.

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