GLOBAL RESOLUTION AGREEMENT

This Global Resolution Agreement sets forth the terms and conditions intended to resolve the on-going unclaimed property audit that Verus Financial LLC, on behalf of the Participating States identified in the attached Schedule A, is conducting of John Hancock Life Insurance Company (U.S.A.), in its own right and as the successor in interest to John Hancock Life Insurance Company and John Hancock Variable Life Insurance Company pursuant to a duly approved merger effective December 31, 2009, and John Hancock Life & Health Insurance Company.

WHEREAS, during the course of the audit, Verus, on behalf of the Participating States, has identified what it considers to be past-due property that is required to be reported and delivered to the Participating States;

WHEREAS, John Hancock disputes that some of the property identified by Verus should be considered past-due and/or subject to report and remittance to the Participating States;

WHEREAS, John Hancock has fully cooperated with the Participating States and Verus by making its books and records available for examination, and its personnel and agents available to assist as requested by the Participating States and Verus, and maintains that at all times relevant to this Agreement, John Hancock and its officers, directors, employees, agents and representatives, acted in good faith and in a manner they believed to be in the best interest of John Hancock’s contract and policy owners;

WHEREAS, disputes have arisen between the Parties hereto with regard to the Company's obligation to report and remit certain property pursuant to the Signatory States' UP Laws; and

WHEREAS, John Hancock denies any wrongdoing or activities that violate any applicable law of any Participating State, but in view of the complex issues raised and the probability that long-term litigation would be required to resolve the disputes between the Parties hereto, the Company and the Signatory States desire to resolve uncertainties in the interpretation of the UP Laws, and to resolve all claims which the Signatory States asserted:
NOW, THEREFORE, the Parties agree as follows:

1. **Definitions.** Solely for purposes of this Agreement, capitalized terms have the meanings set out below:

   (a) "**Actively Engaged in the Process of Administering and Effecting Payment of a Claim to Property**" means that John Hancock has made contact with the actual beneficiary, or the beneficiary’s authorized representative, during the Reconciliation/Due Diligence Period, has received a completed claim form during or within 60 days following the Reconciliation/Due Diligence Period, and has had some form of documented contact with the beneficiary, or the beneficiary’s authorized representative, at least once every 30 days thereafter.

   (b) "**Agreement**" means this Global Resolution Agreement entered into among the Signatory States, John Hancock Life Insurance Company (U.S.A.), the successor in interest to John Hancock Life Insurance Company and John Hancock Variable Life Insurance Company pursuant to a duly approved merger effective December 31, 2009, and John Hancock Life & Health Insurance Company, which is also signed by Verus as the authorized third party auditor for the Participating States.

   (c) "**Annuity Contract**" means a fixed or variable annuity contract not subject to ERISA.

   (d) "**Audit**" means the unclaimed property audit that Verus has been conducting on John Hancock, on behalf of the Participating States, which Audit is being resolved with respect to the Signatory States pursuant to this Agreement.

   (e) "**Company**" or "**John Hancock**" means John Hancock Life Insurance Company (U.S.A.), in its own right and as the successor in interest to John Hancock Life Insurance Company and John Hancock Variable Life Insurance Company pursuant to a duly approved merger effective December 31, 2009, and John Hancock Life & Health Insurance Company.

   (f) "**Death Master File**" or "**DMF**" means the Social Security Administration’s Death Master File.
(g) "Duration of the Audit" means the period concluding upon completion of all processing related to the last Unclaimed Property Report pursuant to the terms of this Agreement.

(h) "Effective Date" means the date provided for in Section 2.

(i) "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

(j) "Lead Signatory States" means Massachusetts, Michigan and Tennessee.

(k) "Maturity Age" means, for purposes hereof, the age of maturity or age of endowment set forth in the terms of the life insurance policy. If the life insurance policy does not specify an age of maturity or age of endowment, Maturity Age shall mean the limiting age under the life insurance policy. The limiting age of the life insurance policy is the terminal age of the mortality table specified in the policy for calculating reserves and/or non-forfeiture values, or, if the policy does not reference a mortality table for policy reserves and/or nonforfeiture values, then the limiting age is the terminal age of the mortality table used in calculating the cost of insurance for the policy.

(l) "Maturity Date" means the date in an Annuity Contract that annuity payments are scheduled to begin, unless the records of the Company indicate that the Maturity Date has been extended in accordance with the terms of the Annuity Contract or the Annuity Contract owner has taken action within the applicable dormancy period in respect to the Annuity Contract at issue that is inconsistent with a desire to annuitize. The Parties agree that, for purposes hereof, "action in respect to the Annuity Contract that is inconsistent with a desire to annuitize" shall mean a partial withdrawal of Contract Value, (such as required minimum distributions, or systematic withdrawals unless such distributions or withdrawals remain uncashed, and partial exchanges of the Annuity Contract for another annuity contract), termination or surrender of the Annuity Contract, payment of all death benefits or death payments due, or receipt of additional purchase payments.

(m) "Participating States" means those states identified in the attached Schedule A, which have: (a) contracted with Verus to receive examination services; and (b)
authorized Verus to conduct such an examination in writing to Company and/or Verus.

(n) “Parties” means the Signatory States and John Hancock; and “Party” shall mean any one of the Parties.

(o) “Review/Reconciliation/Due Diligence Period” means the period specified or determined in accordance with Schedule D for: (i) John Hancock to review each Unclaimed Property Report and identify any property included in the report that it has determined does not meet the criteria for escheatment; (ii) John Hancock to present a written indication to Verus of any property included in an Unclaimed Property Report that John Hancock has determined does not meet the criteria for escheatment, together with the reasons for its determinations; (iii) John Hancock and Verus to meet if Verus as auditor for any Signatory State(s) determines it is necessary in order to attempt to resolve any exceptions that John Hancock has identified with respect to specific property included on each Unclaimed Property Report or, if resolution is not achieved during this period, for Verus to refer them for resolution pursuant to Section 3.D. below; and (iv) John Hancock to conduct due diligence (in accordance with Schedule D) to locate the owner of the property prior to the property being escheated.

(p) “Scope of the Audit” shall include unclaimed property to be reported and remitted to a Signatory State under life insurance policies, Annuity Contracts, and retained asset accounts that were in-force at any time during the period January 1, 1992 through May 31, 2010, regardless of whether they are currently listed as active, and including but not limited to policies identified as lapsed, expired, matured, paid, reported and remitted (escheated), rescinded, or terminated.

(q) “Signatory States” means those Participating States that have executed this Agreement.

(r) “SSDI Update File” means a file containing new records, changed records and deleted records that were updated on the Social Security Death Index since the previous version of the SSDI Update File used to run a comparison.

(s) “Unclaimed Property Report” means a report prepared and submitted to John Hancock by Verus to identify property that Verus has determined to be due and
payable by John Hancock. The Unclaimed Property Reports will be delivered by Verus according to the formats described in Schedule C.

(i) “UP Laws” means the Unclaimed Property/Escrow Laws of the Signatory States or other states, as applicable.

(u) “Verus” means Verus Financial LLC.

2. Effectiveness.

A. The Agreement shall take effect, as of June 1, 2011, provided that by that date the Agreement has been executed by John Hancock, the Lead Signatory States, Verus as the authorized third party auditor for the Participating States and at least twenty Participating States (including the Lead Signatory States). The Agreement shall be initially executed by John Hancock and Verus, followed by the Lead Signatory States and then all other Signatory States. If at least twenty Participating States (including the Lead Signatory States) do not sign the Agreement by June 1, 2011, then John Hancock shall have the right to opt out of the Agreement in which case the Agreement shall be null and void and shall have no force or effect, and all negotiations, statements and proceedings related to this Agreement shall be without prejudice to the rights of John Hancock and all of the Participating States, all of whom shall be restored to their respective positions existing immediately before the execution of this Agreement. If John Hancock does not exercise its right to opt out of the Agreement, then John Hancock, the Signatory States and Verus shall be bound to the Agreement. Upon nullification, neither the fact of the Agreement having been made or any negotiations or discussions related to the Agreement may be offered by any party as evidence in any proceeding in any jurisdiction at any time for any reason.

B. John Hancock and Verus agree that Participating States in the Audit shall be fixed as of the date that John Hancock executes the Agreement such that they shall be limited to those Participating States set forth on Schedule A. Participating States identified on Schedule A that have not signed the Agreement as of June 1, 2011 may sign the Agreement at any time prior to the completion of processing of all Unclaimed Property Reports pursuant to Schedule D of this Agreement (subject to John Hancock’s right to opt out of the Agreement as set forth above). If
any additional state(s) or jurisdiction(s) not identified on Schedule A enters into an agreement with Verus for an unclaimed property audit of John Hancock prior to the completion of processing of all Unclaimed Property Reports pursuant to Schedule D of this Agreement, then John Hancock agrees that it shall offer to resolve any such audit by entering into an agreement with each such state or jurisdiction containing the same terms as this Agreement. In the event that John Hancock enters into an agreement to resolve an unclaimed property audit conducted by Verus on behalf of any additional state(s) or jurisdiction(s), Verus agrees that it shall not submit to John Hancock any unclaimed property reports pursuant to the terms of such agreement until such time as the last group of Unclaimed Property Reports provided to John Hancock pursuant to Schedule D under this Agreement is reconciled by John Hancock and Verus.

3. **Unclaimed Property Reports and Remittance**

   A. **Benefits Due Upon an Event of Death Under Life Insurance Policies, Annuity Contracts, and Retained Asset Accounts**

   (i) Verus shall provide John Hancock with Unclaimed Property Reports identifying all life insurance proceeds, Annuity Contract proceeds (including proceeds that become due in either the accumulation phase or payout phase of the Annuity Contract), and retained asset account proceeds due and payable as a result of an event of death that are within the Scope of the Audit and that Verus has determined meet the criteria for escheatment to one of the Signatory States. The Unclaimed Property Reports will include all deaths of John Hancock’s insureds, Annuity Contract owners or annuitants, and retained asset account owners that have been identified by Verus using the methodology for matching John Hancock’s records against the DMF (or any extract thereof), which methodology is attached hereto set out on Schedule B and incorporated by reference. The Unclaimed Property Reports will be delivered in the format described in Schedule C.

   (ii) Pursuant to Schedule D, John Hancock shall provide Verus with a list of exceptions identifying all policies, contracts, or accounts on the Unclaimed Property Report that John Hancock has determined not to be escheatable, along with the reasons for its
determinations. John Hancock agrees that its determinations shall be based on competent proof indicating that: (a) the person identified on the Unclaimed Property Report is either not dead or is not the Company's insured, Annuity Contract owner or annuitant, or retained asset account owner, in accordance with Schedule B; (b) the insured, Annuity Contract owner or annuitant, or retained asset account owner identified on the Unclaimed Property Report died on a date when the policy or contract was not in force; (c) there is no benefit due and payable upon the death of such insured, Annuity Contract owner or annuitant, or retained asset account owner according to the records of the Company (e.g., all benefits have been fully paid out, the death indicated was the first to die of two insureds under a second-to-die policy; or other similar reason); or (d) the applicable dormancy period has not expired with respect to the benefits under the policy or Annuity Contract or retained asset account. John Hancock's list of exceptions shall also include any instances where it has determined that the insured, Annuity Contract owner or annuitant, or retained asset account owner identified on the Unclaimed Property Report died on a date other than the date of death identified in the Unclaimed Property Report with the result that any amount due and payable is other than it would be if the date of death was as indicated on the Unclaimed Property Report.

(iii) Pursuant to Schedule D, John Hancock and Verus shall meet if Verus determines it is necessary in order to attempt to resolve any exceptions that John Hancock has identified with respect to specific property included on each Unclaimed Property Report or, if resolution is not achieved in accordance with the time period provided by Schedule D, Verus may refer the exceptions for resolution pursuant to Section 3.D. below.

(iv) If John Hancock locates the owner of property included on an Unclaimed Property Report before the end of the Review/Reconciliation/Due Diligence Period, John Hancock will pay the owner the benefits or proceeds due and payable in accordance with the policy, contract or account terms as of the date of death of the insured, Annuity Contract owner or annuitant, or retained asset account owner, as applicable, and provide access to the records of all such payments to Verus.
(v) If John Hancock is unable to locate the owner of property included on an Unclaimed Property Report by the end of the Review/Reconciliation/Due Diligence Period, any portion of death benefit-related property that remains due and unpaid will be reported and remitted to the appropriate state in accordance with the applicable UP Laws and Schedule D. John Hancock’s report and remittance shall be made within the period set forth in Schedule D, or upon execution of the Agreement by the Signatory State, whichever is later. Notwithstanding the foregoing, reporting and remittance of the subject property may be deferred for the period defined below in the event that John Hancock (i) has located the property owner during the Review/Reconciliation/Due Diligence Period and is Actively Engaged in the Process of Administering and Effecting Payment of the Claim to the Property; or (ii) is presented with multiple, inconsistent claims or potential claims of ownership, and John Hancock acknowledges that at least one of the individuals or entities is entitled to the property. In the event that John Hancock is Actively Engaged in the Process of Administering and Effecting Payment of the Claim to the Property, it shall have 120 days from the end of the applicable Review/Reconciliation/Due Diligence Period to effect payment of the claim before being required to report and remit the property if it has not been fully paid by that time. In the event that John Hancock is presented with multiple claims to the property, it shall have 180 days from the end of the applicable Review/Reconciliation/Due Diligence Period to effect payment of the claim before being required to report and remit the property if it remains unpaid or actual litigation has not been commenced by that time. If the owner of property is located by John Hancock before the end of the Review/Reconciliation/Due Diligence Period, John Hancock will obtain an oral or written communication from the owner or the owner’s authorized representative and the records of John Hancock must contain a written notation indicating the date of the contact, the person contacted, and the address, telephone number or e-mail address of the contacted person.

(vi) For purposes of this Section 3.A., the applicable dormancy period for the death benefit-related property described in this Section 3.A. commences on the date of death of the individual decedent (which if not disputed with competent proof by John Hancock on the list of exceptions shall be as shown on a listing on the DMF), and expires after the requisite number of years have passed under the applicable state’s UP Laws (e.g., 3 or 5 years later). Subject to
Section 3.A.(v) above, this dormancy period is not tolled by contact with a potential owner, except in cases where (i) there is actual litigation over ownership of the property; or (ii) otherwise as expressly allowed by the Signatory States.

(vii) Any benefits due and payable which are to be escheated to one of the Signatory States under this Section 3.A. will be determined as set out in (a), (b) or (c) below, as applicable, plus (d) as applicable, and will be determined without the deduction of any fees unless required or permitted by the terms of the policy, contract or account. John Hancock specifically agrees that it shall not charge owners for any costs associated with the administration of this Agreement.

(a) The death benefit under life insurance policies shall be determined in accordance with the policy terms as of the date of death of the insured, and will include, but not be limited to, a reversal of any amounts deducted from the policy for premium payments taken and a reversal of any amounts added to the policy for credited interest (determined by policy type and terms) or dividends after the date of death.

(b) The death benefit under Annuity Contracts shall be determined as of the date of death of the Annuity Contract owner or annuitant, except that: (i) in the case of variable annuities, John Hancock shall determine such death benefit based on the value of assets maintained in the relevant separate accounts as of the date the property is paid to a payee of record or remitted to the applicable state; and (ii) in the case of fixed annuities, such death benefit shall be offset by any amounts added to the contract for credited interest or dividends after the date of death.

(c) The benefit under retained asset accounts shall be determined as the value of the account as of the date the property is paid to an owner or reported and remitted to the applicable state.

(d) Death benefit interest payable to the Signatory States shall be calculated from the later of the date of death or from January 1, 1995 at the interest rate of 3 percent compounded annually. Death benefit interest will not be applied in respect to amounts due and payable under retained asset accounts.
B. **Benefits Due Under Life Insurance Policies and Annuity Contracts Upon Reaching Maturity Age or Maturity Date**

(i) Verus shall provide John Hancock with Unclaimed Property Reports identifying all unclaimed benefit proceeds due and payable to owners of John Hancock life insurance policies and Annuity Contracts within the Scope of the Audit that Verus has determined have reached a policy’s Maturity Age or Annuity Contract’s Maturity Date, and for which the period of time elapsed since reaching such policy’s Maturity Age or Annuity Contract’s Maturity Date is beyond the applicable dormancy period under the UP Laws of a Signatory State. The Unclaimed Property Reports will be delivered in the format described in Schedule C.

(ii) Pursuant to **Schedule D**, John Hancock shall provide Verus with a list of exceptions identifying all policies or Annuity Contracts on the Unclaimed Property Report that John Hancock has determined not to be escheatable, along with the reasons for its determinations. John Hancock agrees that its determinations shall be based on competent proof indicating that one or more of the following are applicable: (a) the policy or Annuity Contract had not reached the Maturity Age or Maturity Date; (b) there is no benefit due and payable (e.g., the policy or Annuity Contract had been surrendered; all benefits had been fully paid out; the Maturity Date had been extended by the owner in accordance with the terms of the policy or contract or the Annuity Contract owner has taken affirmative action in respect to the contract that is inconsistent with a desire to annuitize; or other similar reason), or (c) the applicable dormancy period has not expired with respect to benefits under the policy or Annuity Contract. The Parties agree that the applicable dormancy period shall not be deemed to have expired with respect to benefits under the policy or Annuity Contract if, John Hancock has documented contact with the owner within the applicable dormancy period, including a request by the owner to change the designation of an owner, annuitant, or beneficiary; a non-automated request, to reallocate Contract Value among variable investment options; or a non-automated request to renew or change a fixed interest guarantee period under the policy or Annuity Contract.
(iii) Pursuant to Schedule D, John Hancock and Verus shall meet if Verus determines it is necessary in order to attempt to resolve any exceptions that John Hancock has identified with respect to specific property included on each Unclaimed Property Report or, if resolution is not achieved within the time period provided by Schedule D, Verus may refer them for resolution pursuant to Section 3.D. below.

(iv) If John Hancock locates the owner of property included on an Unclaimed Property Report before the end of the Review/Reconciliation/Due Diligence Period, and the owner has not elected to surrender the policy or Annuity Contract, extend the Maturity Date, or take any action in respect to the Annuity Contract that is inconsistent with a desire to annuitize, John Hancock will pay the owner the amount of the benefits or proceeds due and payable in accordance with the policy or contract terms and as calculated in accordance with Section 3.B.(vii).

(v) If John Hancock is unable to locate the owner of property included on an Unclaimed Property Report by the end of the Review/Reconciliation/Due Diligence Period, any unclaimed proceeds due under the policy or Annuity Contract will be reported and remitted to the appropriate Signatory State in accordance with the state’s UP Laws and as calculated in accordance with Section 3.B.(vii). John Hancock agrees that all unclaimed property to be reported and remitted to a Signatory State pursuant to this Agreement shall be reported and remitted in accordance with Schedule D. John Hancock’s report and remittance shall be made within the period set forth in Schedule D, or upon execution of the Agreement by the Signatory State, whichever is later.

(vi) For purposes of this Section 3.B., the applicable dormancy period under the Signatory State’s UP Laws for the property described in this Section 3.B. commences on the date on which the policy or Annuity Contract reached the Maturity Age or Maturity Date, and is restarted upon documented contact with the owner or the owner’s authorized representative. If the owner of property is located by John Hancock before the end of the Review/Reconciliation/Due Diligence Period, John Hancock will obtain an oral or written communication from the owner or the owner’s authorized representative and the records of John
Hancock must contain a written notation indicating the date of the contact, the person contacted, and the address, telephone number or e-mail address of the contacted person.

(vii) The amount of any benefits due and payable under this Section 3.B. will be determined as follows, without deduction of any fees unless required or permitted by the terms of the policy or contract. John Hancock specifically agrees that it shall not charge owners for the costs associated with the administration of this Agreement.

(a) Benefits Due Under Annuity Contracts Upon Reaching Maturity Date

1. Calculation of Annuity Payments to an Owner. All annuity payments under an Annuity Contract that are payable to an owner described in Section 3.B.(iv) shall be determined by John Hancock in accordance with the terms of that Annuity Contract based on the Annuity Contract's account value on the date the Annuity Contract is annuitized, the age of the annuitant at that time, and the guaranteed annuity purchase rates under the Annuity Contract; provided, however, that John Hancock shall determine annuity payments under its currently available rates if it would result in a higher amount of initial annuity payment. For purposes hereof, John Hancock shall calculate the account value used in its determination of the initial annuity payment (a) for a variable Annuity Contract, based on the value of assets held in the underlying separate account at the time of such determination, and (b) for a fixed Annuity Contract, based on the account value at the time of such determination, inclusive of any interest credited by John Hancock to the account value from the Maturity Date to the date of such determination.

2. Calculation of Amounts Reported and Remitted. The report and remittance to a Signatory State of any unclaimed proceeds under an Annuity Contract described in Section 3.B.(v) shall include the current account value of the Annuity Contract as determined by John Hancock within five (5) business days prior to the date of such report and remittance. For purposes hereof, John Hancock shall calculate the account value (a) for a variable Annuity Contract, based on the value of assets held in the underlying separate account, and (b) for a fixed Annuity Contract, based on the account value,
inclusive of any interest credited by John Hancock to the account value. Thereafter, John Hancock shall not escheat in future reporting years any additional amounts under the Annuity Contract.

(b) Benefits Due Under Life Insurance Policies Upon Reaching Maturity Age

1. All benefits under a life insurance policy upon reaching Maturity Age shall be determined by John Hancock in accordance with the terms of policy, and interest shall be added to such amounts payable to the Signatory States from the later of the Maturity Age or January 1, 1995, at the interest rate of 3 percent compounded annually.

C. Unclaimed Proceeds in Dormant Retained Asset Accounts

(i) Verus shall provide John Hancock with Unclaimed Property Reports identifying dormant retained asset accounts, including but not limited to “Safe Access Accounts,” that are within the Scope of the Audit and that Verus has determined meet the criteria for escheatment to one of the Signatory States. The Unclaimed Property reports will be delivered in the format described in Schedule C.

(ii) Pursuant to Schedule D, John Hancock shall provide Verus with a list of exceptions identifying all retained asset accounts included on each Unclaimed Property Report that John Hancock has determined not to be escheatable, along with the reasons for its determinations. John Hancock agrees that its determinations shall be based on competent proof that the owner has taken affirmative action in respect to the account that is inconsistent with abandonment. (Automatic financial or administrative transactions and the non-receipt by John Hancock of returned mail shall not constitute “affirmative action” for this purpose.)

(iii) Pursuant to Schedule D, John Hancock and Verus shall meet if Verus determines it is necessary in order to attempt to resolve any exceptions that John Hancock has identified with respect to specific property included on each Unclaimed Property Report or, if
resolution is not achieved within the time period provided by Schedule D, Verus may refer them for resolution pursuant to Section 3.D. below.

(iv) If John Hancock locates the owner before the end of the Review/Reconciliation/Due Diligence Period, the Company shall maintain or pay out the value of retained asset account in accordance with the terms of the account contract and the owner’s directions. In all such instances, John Hancock will obtain a communication from the owner or the owner’s authorized representative and the records of John Hancock must contain a written notation indicating the date of the contact, the person contacted, and the address, telephone number or e-mail address of the contacted person.

(v) If John Hancock is unable to locate the owner by the end of the Review/Reconciliation/Due Diligence Period, and the applicable dormancy period has run with respect to such property, the full value of the retained asset account will be reported and remitted to the appropriate Signatory State in accordance with the state’s UP Laws. John Hancock specifically agrees that it shall not charge owners for the costs associated with the administration of this Agreement. John Hancock agrees that all unclaimed property to be reported and remitted to a Signatory State pursuant to this Agreement shall be reported and remitted in accordance with Schedule D. John Hancock’s report and remittance shall be made within the period set forth in Schedule D, or upon execution of the Agreement by the Signatory State, whichever is later.

(vi) For purposes of this Section 3.C., the applicable dormancy period under the Signatory State’s UP Laws for the property described in this Section 3.C. commences as of the date of the most recent non-automatic financial or administrative transaction or other contact with the account owner or the owner’s authorized representative that is documented in the books and records of the Company.

D. Priority and Disputes

(i) The Signatory States agree that in determining which state property shall be escheated to, for purposes of this Agreement, the following rules shall apply:
A. Property shall be escheated to the state of the last known address of the apparent owner of the unclaimed property as shown on John Hancock's books and records.

B. With respect to property related to life insurance policies or annuity contracts due to a beneficiary, if there is no last known address of the beneficiary according to John Hancock's books and records or if it is not definite and certain from John Hancock's books and records what person is entitled to the property, then it shall be presumed that the last known address of the beneficiary is the same as the last-known address of the insured or annuitant, and John Hancock shall escheat the property to the state of the last known address of the insured or annuitant.

C. If John Hancock's books and records do not contain a last known address for the beneficiary, or the insured or the annuitant, or if the last known addresses of the beneficiary, the insured and the annuitant are all located within a foreign country, the property shall be escheated to the state of incorporation of the relevant John Hancock entity as of the time the dormancy period expired under the terms of this Agreement.

D. John Hancock shall be entitled to any and all indemnification, hold harmless, discharge or release provisions of the Signatory States UP Law with respect to all property reported and remitted to the Signatory States in accordance with the terms of this Agreement. Further, property reported and remitted to any of the Signatory States in accordance with the priority rules set forth in this Agreement shall be deemed to have been made by John Hancock in good faith in accordance with the UP Laws of the Signatory States, and John Hancock shall be entitled to any and all indemnification, hold harmless, discharge or release provisions available under the UP laws of the Signatory State receiving the property.

(ii) If Verus disputes any items on John Hancock's list of exceptions to an Unclaimed Property Report, John Hancock's calculation of amounts to be escheated pursuant to the terms of this Agreement, or John Hancock's identification of property that it determines is not yet subject
to escheatment due to contact with a beneficiary or owner, any such disputes that are not resolved between John Hancock and Verus in accordance with Schedule D may be referred by Verus for a determination of the Signatory State pursuant to that state’s administrative law and process (subject to the terms of this Agreement), which determination shall be final subject the Signatory State’s laws relating to appeals of administrative decisions. The existence of any unresolved disagreements over whether particular property is required to be reported and remitted shall not impact any of John Hancock’s other obligations to report and remit unclaimed property as to which no dispute exists pursuant to the terms of this Agreement.

4. Business Improvements

A. Death Benefits

(i) John Hancock agrees that within one hundred and twenty (120) days following the Effective Date of this Agreement it shall implement policies and procedures for performing a comparison of its insureds under its in force life insurance policies, Annuity Contract owners and annuitants under Annuity Contracts against the SSDI Update File on at least a quarterly basis using comparison criteria reasonably calculated to identify potential matches of its insureds and annuitants.

(ii) For those potential matches identified as a result of the comparison run pursuant to Section 4.A.(i) above, John Hancock will (a) confirm the death of those insureds, Annuity Contract owners and annuitants against other available records and information, (b) confirm that there is a death benefit due and payable upon the death of such person according to the records of the Company, and (c) attempt to locate the beneficiary or beneficiaries in order to pay out any death proceeds that are due in accordance with the terms of its policies and Annuity Contracts.

(iii) In the event that a beneficiary cannot be located through due diligence, John Hancock shall report and remit any such death benefits upon expiration of the relevant dormancy period as required by the applicable UP Laws.
(iv) For purposes of this Section 4.A., the applicable dormancy period for the property described in Section 4.A. commences as of the date John Hancock verifies the potential match of its insured, Annuity Contract owner or annuitant against the SSDI Update File.

B. **Annuity Benefits**

John Hancock agrees that no later than one hundred and twenty (120) days following the Effective Date of this Agreement, to adopt revised policies and procedures to help better ensure that Annuity Contract benefits after the Maturity Date are: (i) paid to annuitants, owners, beneficiaries or contingent payees unless the records of the Company indicate that the Maturity Date has been extended in accordance with the terms of the Annuity Contract or the Annuity Contract owner has taken action in respect to the Annuity Contract that is inconsistent with a desire to annuitize; or (ii) reported and remitted after the dormancy period in situations where annuity payments are due and unpaid and the Company is not in contact with the owner at or after the Maturity Date.

C. **Retained Asset Accounts**

John Hancock agrees that within one hundred and twenty (120) days following the Effective Date of this Agreement, it shall implement revised policies and procedures to help better ensure that the proceeds of any and all retained asset accounts are timely paid to owners or reported and remitted in situations where the account has been dormant for the requisite dormancy period and the apparent owner cannot be located.

5. **General**

A. For the Duration of the Audit, John Hancock shall continue to provide Verus with the data reasonably requested by Verus to identify property that is within the Scope of the Audit. This information shall be retained by John Hancock for the period prescribed by the Signatory States' laws.
B. For the Duration of the Audit, John Hancock shall continue to provide Verus with reasonable access to the Company’s administrative systems to obtain records relating to property that is within the Scope of the Audit in order to enable Verus to test the completeness of all records provided by John Hancock. Such access shall include continued access to a dedicated terminal operated by a John Hancock employee that will enable Verus’ personnel to make queries.

C. The Signatory States each agree as follows:

1. To release, discharge, and indemnify the Company, and/or hold the Company harmless, to the extent authorized by, and in accordance with, the UP Law statutorily enacted by the Signatory State, for “good faith” payment or delivery and reporting of unclaimed property, which is incorporated herein by reference.

2. To release the Company from all claims, demands, interest (excepting such interest available under the terms of this Agreement) penalties, actions or causes of action that the Signatory State may have by reason of any matter, cause or thing whatsoever, (i) regarding the unclaimed property identified and reportable pursuant to paragraphs 3.A.- 3.C. and which is presumed abandoned and delivered to that Signatory State pursuant to this Agreement, and (ii) regarding unclaimed property types identified and reportable pursuant to paragraphs 3.A.- 3.C. for any prior period, and specifically waives any right to further audit or examine the books and records of the Company for or related to all calendar years through and including report years during or before 2010 regarding the unclaimed property identified and reportable pursuant to paragraphs 3.A.- 3.C.

3. That the Company’s payment and delivery of the property identified and reportable pursuant to paragraphs 3.A.- 3.C and which is delivered to that Signatory State pursuant to this Agreement shall be in full and final satisfaction of any and all claims that the Signatory State has or may have under that Signatory State’s UP Law against the
Company, its successors and assigns and all current and past directors, officers, employees, agents and any other person acting for or on behalf of the Company, in connection with the Company's reporting and remittance of unclaimed property for report years ending on or before 2010 regarding unclaimed property types identified and reportable under paragraphs 3.A.- 3.C.

4. That the disclosures and assistance made by the Company in connection with this audit satisfy the reporting requirements of its UP Law for the applicable examination period regarding unclaimed property types identified and reportable pursuant to paragraphs 3.A.- 3.C., and hereby releases the Company from any additional reporting requirements under its UP Law for or related to the Company’s reporting and remittance of unclaimed property types identified and reportable pursuant to paragraphs 3.A.- 3.C. for report years ending on or before 2010.

5. Nothing contained in this Agreement shall preclude the Company from claiming reimbursement of any property erroneously paid or delivered to a Signatory State under this Agreement because of some mistake of fact, error in calculation, or erroneous interpretation of that Signatory State's UP Law, or other laws of that Signatory State, to the extent such claims and the Signatory State's power to refund or redeliver such property to the Company are authorized pursuant to the UP Law of that Signatory State. Each Signatory State agrees to immediately refund/reimburse the Company for any erroneous payment made to that Signatory State and that prior to refund/reimbursement the Signatory State shall defend, to the extent authorized by, and in accordance with, the UP Law statutorily enacted by the Signatory State, the Company against the claim and shall indemnify, to the extent authorized by, and in accordance with, the UP Law statutorily enacted by the Signatory State, the Company against any liability on the claim.

6. To maintain the confidentiality of information voluntarily disclosed concerning the business processes and trade secrets of the Company to the extent permissible under each Signatory State’s laws, and shall only disclose such information to the extent required under each Signatory State’s laws.
7. To return or destroy confidential information within thirty (30) days after the Duration of the Audit, excepting work papers and other materials required to be retained by Verus pursuant to contracts with any Signatory State and those materials necessary to resolve any outstanding disputes, pursuant to paragraph 3.D., in accordance with the terms of the Non-Disclosure Agreement dated August 27, 2009, which is attached hereto as Schedule E.

D. Each Signatory State by way of signature below gives its express assurance that under their applicable state laws, regulations and judicial rulings, they have the authority to enter into this Agreement.

E. This Agreement and its attachments constitute the entire agreement of the Parties with respect to the matters referenced herein and may not be amended or modified except by an amendment signed by all Parties hereto; provided, however that the Company and each Signatory State may mutually agree to any reasonable extensions of time that might become necessary in order to carry out the provisions of this Agreement with respect to that Signatory State.

F. In the event that any portion of this Agreement is held invalid under any particular state's law as it is relevant to a Signatory State, such invalid portion shall be deemed to be severed only in that state and all remaining provisions of this Agreement shall be given full force and effect and shall not in any way be affected thereby.

G. The Parties may mutually agree to any reasonable extensions of time that might become necessary to carry out the provisions of this Agreement.

H. The Parties agree that the Audit of John Hancock being conducted by Verus on behalf of the Signatory States shall continue for the Duration of the Audit pursuant to the terms of this Agreement.
I. Verus and the Signatory States shall provide John Hancock with a written copy of any press release or public statement or communication to be issued in connection with this Agreement or the subject matter hereof at least 72 hours prior to its being made publicly available.

J. This Agreement may be executed in counterparts, but shall not be effective except as provided for pursuant to Section 2 above. Signatory States will execute this Agreement by signing a signature page in the form set out as Schedule F hereto.

JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

By: Jonathan Chiel

Date: ____________________________

Its: Executive Vice-President and General Counsel

JOHN HANCOCK LIFE & HEALTH INSURANCE COMPANY

By: Jonathan Chiel

Date: ____________________________

Its: Executive Vice-President and General Counsel

VERUS FINANCIAL LLC

By: James E. Hartley, Jr.

Date: ____________________________

Its: Chief Executive Officer