John Hancock ANNUITIES

State Tax Withholding Guide

Lump Sum Distribution to an Individual

Unless you elected a direct rollover to an IRA or other eligible retirement plan, state tax withholding may apply to your lump sum benefits. The state withholding rules are outlined below. If you reside in a state that gives you withholding options, you must provide the information or forms requested below. If you do not, we will apply state withholding based on your state's default rules. Please note that state income tax will apply even if the state allows you to elect out of withholding.

The following states require state tax withholding whenever federal taxes are withheld. We will apply the state's default withholding rate to the taxable portion of your distribution if you reside in: Arkansas, District of Columbia, Iowa, Kansas, Maine, Maryland, Massachusetts, Nebraska, North Carolina, Oklahoma, Oregon, Vermont, or Virginia. You may not elect out of state withholding.

If you reside in Michigan, state tax withholding requirements depend on your age and the amount of the distribution. Please provide a completed Michigan W-4P to claim any exemptions.

If you reside in Puerto Rico, we are generally required to withhold 20%. An alternate 10% withholding rate applies to lump sum distributions from a qualified plan invested in a trust fund in Puerto Rico, provided that trust fund holds a minimum investment in certain property located in Puerto Rico for the year the lump sum is distributed and the two plan years immediately prior. We must withhold 20% unless your employer or plan administrator provides a certification that the plan has complied with these requirements.

If you reside in California, Connecticut, Georgia, Indiana, Missouri, Montana, New Jersey, New Mexico or Wisconsin you may either elect in or elect out of state withholding.

Periodic Payments

State withholding may also apply to your payments. The state withholding rules are outlined below. If you reside in a state that gives you withholding options, you must provide the information or forms requested below. If you do not, we will apply state withholding based on your state's default rules. Your withholding elections where applicable or your state's default withholding rules will remain in effect until you change or revoke them. Please note that state income tax will apply even if the state allows you to elect out of withholding.

The following states require state tax withholding whenever federal taxes are withheld. We will apply the state's default withholding rate to the taxable portion of your distribution if you reside in: Iowa, Kansas, Maine, Massachusetts, Nebraska, Oklahoma, or Virginia. You may not elect out of state withholding.

If you reside in Virginia and elected out of federal withholding, you are not subject to Virginia state income tax withholding. However, state income tax will still apply to the taxable portion of your payments, and you may request that we withhold Virginia state tax by providing a completed form VA-4P.

If you reside in Michigan, state tax withholding requirements depend on your age and the amount of the payments. Please provide a completed Michigan Form W-4P to claim any exemptions.

If you reside in Vermont, state tax withholding will apply whenever federal tax is withheld, unless you instruct us otherwise.

If you reside in Georgia, state tax withholding requirements allow you to elect in or out of withholding. You must provide a completed Georgia Form G-4P to make your withholding election.

If you reside in Puerto Rico, periodic distributions that will exceed an annual exemption amount are subject to 10% withholding. The annual exemption amount is based on your age.

If you reside in Arkansas, Arizona, California, Connecticut, Indiana, Maryland, Missouri, Montana, New Jersey, New Mexico, New York, North Carolina, Oregon, or Wisconsin you may either elect in or elect out of state withholding.

- **If you reside in Arizona,** please provide a completed Form A-4P, in which you elect a withholding percentage and any additional dollar amount you want to withhold.
- **If you reside in California, Connecticut, Indiana, Maryland, Missouri, Montana, New Jersey, New Mexico, New York, or Wisconsin,** you'll need to specify a whole dollar amount to withhold. The amount must be at least $10 and we will withhold the requested amount from each payment you receive.

Lump Sum Distribution to Trust or Estate

State withholding may also apply to your lump sum benefits or to back payment of a deceased participant's retirement benefit. The state withholding rules are outlined below. Please note that state income tax will apply even if the state allows you to elect out of withholding. If you are domiciled in a state that gives you withholding options, you must provide the information or forms requested below. If you do not, we will apply state withholding based on your state's default rules.

The following states require tax withholding whenever federal taxes are withheld. We will apply the state's default withholding rate to the taxable portion of your distribution if you are domiciled in: the District of Columbia, Iowa, Kansas, Maine, Massachusetts, Oklahoma or Virginia. You may not elect out of state withholding if federal tax is withheld.

If you are domiciled in Arkansas, state tax withholding is required when federal taxes are withheld. We will apply the Arkansas state default withholding rate to the taxable portion of your distribution. However, you can elect out of Arkansas state withholding by providing us with a completed Form AR4P.

If you are domiciled in Vermont, state tax withholding will apply whenever federal tax is withheld, unless you instruct us otherwise.

If you are domiciled in Virginia and you elect out of federal withholding, you are not subject to state withholding. However, state income tax will still apply and you may request that we withhold Virginia income tax by providing us with a completed VA-4P.

If you are domiciled in Michigan, state tax withholding applies to pension and annuity distributions and the requirements vary. You must provide a completed Michigan W-4P to claim any available exemptions.

If you are domiciled in Puerto Rico, we are generally required to withhold 20%. An alternate 10% withholding rate applies to lump sum distributions from a qualified plan invested in a trust fund in Puerto Rico, provided that trust fund holds a minimum investment in certain property located in Puerto Rico for the year the lump sum is distributed and the two plan years immediately prior. We must withhold 20% unless your employer or plan administrator provides a certification that the plan has complied with these requirements.

If you are domiciled in California, Connecticut, Georgia, Indiana, Maryland, Missouri, Montana, New Jersey, North Carolina, Oregon, or Wisconsin you may either elect in or elect out of state withholding.

For North Carolina or Oregon, we will apply the state's flat percentage withholding rate. For the other listed states, you can indicate the amount of state withholding you want. Withholding must be in whole dollar amounts of at least $10.