



# FAQ

## Online Security Measures – 10-day Cooling Period

Good online behavior is critical in keeping personal information private, safe and secure. Simple strategies such as unique usernames and strong passwords can make a big difference. However, security doesn't end there. It's also about making sure that policies are in place to protect participants' accounts – which is what the 10-day 'cooling period' policy is all about.

### **What is a 'cooling period'?**

The cooling period is meant to act as a safeguard on behalf of the participant and is intended to prevent fraudulent activity. The cooling period is a hold placed on the account that lasts for 10 calendar days and is triggered by any changes and/or activity that introduces risk that could indicate fraudulent activity, and is applied to any money out transactions. The cooling period prevents an individual from somehow gaining unauthorized access, updating a participant's information and withdrawing money in the same day. Instead, should an individual gain access, they will be delayed, providing time for the additional safeguards of notifications to alert the participant (e.g. email alerts and/or mailed registration confirmations).



## Frequently Asked Questions

### Is the delay 10 calendar or 10 business days?

10 calendar days

### What triggers the cooling period?

**Distributions/Withdrawals** – the 10-calendar day cooling period starts following any of the following activities:

- An update to name or address information,
- First time registration on the Participant Website, or
- First call into the Participant Service Center (set-up of Personal Identification Number (PIN)).

**Loan requests** – the 10-calendar day cooling period starts following any of the following activities:

- First time registration on the Participant Website
- First call into the Participant Service Center (set-up of Personal Identification Number (PIN)).
- After paying off a current loan via ACH/Wire.

### Is this a new security rule?

Yes and no. Distribution/withdrawal requests have always had the cooling period associated with name or address changes. However, as of August 7, 2017, based on best security practices, the rule has been expanded to include registration for the web and/or establishing a participant's phone PIN, and now also applies to loan requests.

### Who is impacted?

All participants, both existing and new users are impacted by the cooling period.

### Will participants be able to request a distribution during the 10-calendar day delay?

Yes, users will be able to request a distribution/withdrawal on the Participant Website or through the Participant Service Center, however the transaction will be held until the cooling period has ended.

- In other words, if a participant wants to request a distribution 4 days after they registered their online account, they will be able to submit the request, but the transaction will not be funded/processed until the 6 remaining days have passed.



The content of this document is for general information only and is believed to be accurate and reliable as of posting date but may be subject to change. It is not intended to provide investment, tax, plan design or legal advice. Please consult your own independent advisor as to any investment, tax, or legal statements made herein.

John Hancock Retirement Plan Services, Boston, MA 02116.

NOT FDIC INSURED. MAY LOSE VALUE. NOT BANK GUARANTEED.

© 2019 All rights reserved.

MS-P34369-GE 09/19-39865

### Will participants be able to request a loan during the 10-calendar day delay?

No, unlike distributions, users will not be allowed to request a loan during this period. When users navigate to the "Model a Loan" page, they will see an available amount of \$0.00 throughout the 10-day cooling period with content explaining why. The user can still model a loan despite the 'available balance' reflecting \$0.00.

- In other words, if a participant wants to request a loan 4 days after they registered their online account, they will be able to model a loan, but they will not be able to submit a loan request until the 6 remaining calendar days have passed.

### Is there any way to override the 10-day hold?

No

### What is the best way to avoid this cooling period?

Participants should take the time to register for the website now and not wait until they are looking to take money out of their account. Keeping their account current with name and address changes will also reduce the potential for any delays in processing transactions.

John Hancock recommends reading the 'safeguarding your information is our top priority' flyer that outlines security measures in place for the protection of our customers, along with tips to help keep users safe online. It also provides information about our Cybersecurity Guarantee and how participants can qualify. This is available from the 'Account Security' link at the bottom of any Participant web page.

### Why is John Hancock enforcing this cooling period?

This protective measure is just one component to our overall authentication and security strategy. We have, and will continue to, take the necessary steps to protect participants' accounts, and adhere to best practices for the financial services industry. For further details on this, or any of our security measures, contact our Participant Service Center at 833.SIP.401K.