

Litigation and Employment Division
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William A. Gottlieb
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January 17, 2003

VIA FEDERAL EXPRESS

Rebecca C. Heintz, Esq.
Staff Enforcement Attorney
Vermont Department of Banking, Insurance,
Securities & Health Care Administration
89 Main Street
Drawer 26
Montpelier, VT 15620-3101

Re: Market Conduct Examination

Dear Ms. Heintz:

Pursuant to 3574(b), John Hancock Life Insurance Company ("JHLICO"), formerly known as John Hancock Mutual Life Insurance Company ("JHMLICO"), and John Hancock Variable Life Insurance Company ("JHVLICO") (hereinafter referred to collectively as "John Hancock" or the "Company"), hereby make this response to the proposed "final" Report of Examination of the Market Conduct Affairs of John Hancock Life Insurance Company and John Hancock Variable Life Insurance Company (the "Report"), prepared by the Vermont Department of Banking, Insurance, Securities and Health Care Administration (the "Department").

John Hancock has attempted to address the portions of the Report that contain what it believes to be factual inaccuracies, and allegations and/or commentary to which exception is taken. In certain instances, based on the Examination or otherwise, John Hancock has taken remedial action and it has been so noted. For ease of reference, all suggested modifications to the Report have been marked in "backline" form and the Company's supporting commentary has been set off against a light gray background. In this regard, the Company utilized the draft of the Report that it previously received electronically from the examiners. I apologize if any inadvertent variables remain between the prior draft and the "final" Report provided by the Department.

Alleged violations or references in the Report which have not been specifically addressed in this response are not necessarily accepted nor adopted as accurate. Further, John Hancock reserves the right to supplement its response in the future as may be necessary. I have also forwarded this document to you electronically to facilitate whatever editing the Department might wish to undertake. Obviously, depending on the changes that are made, the page numbers in the Index and throughout the Report will have to be adjusted accordingly.

Rebecca C. Heintz, Esq.
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John Hancock is hopeful that the Department will give serious consideration to John Hancock's responsive comments and modify the Report accordingly. John Hancock specifically reserves all rights afforded to it by Vermont law. The Company looks forward to the opportunity to discuss these issues with the Department and to resolve this matter in an expeditious and amicable manner.

Thank you for your attention to this matter.

Yours truly,

William A. Gottlieb
Senior Counsel

WAG:lce

Attachment

cc: Anne Marie Graceffa