

SECURITIES AND EXCHANGE COMMISSION

FORM 485B24E

Post-effective amendments

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FILER

HANCOCK JOHN CURRENT INTEREST

CIK: **26262** | IRS No.: **741790026** | State of Incorporation: **MA** | Fiscal Year End: **0531**
Type: **485B24E** | Act: **33** | File No.: **002-50931** | Film No.: **96620894**

Mailing Address
*TRANSAMERICA FUND
MANAGEMENT CO
101 HUNTINGTON AVENUE
BOSTON MA 02199*

Business Address
*101 HUNTINGTON AVENUE
BOSTON MA 02199
7137512400*

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-1A
REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933
Pre-Effective Amendment No.
Post-Effective Amendment No. 51
and/or
REGISTRATION STATEMENT UNDER
THE INVESTMENT COMPANY ACT OF 1940
Amendment No. 29
(Check appropriate box or boxes)

JOHN HANCOCK CURRENT INTEREST
(Exact Name of Registrant as Specified in Charter)
101 Huntington Avenue
Boston, Massachusetts 02199-7603
(Address of Principal Executive Offices)
Registrant's Telephone Number including Area Code
(617) 375-1700
SUSAN S. NEWTON
Vice President and Secretary
John Hancock Advisers, Inc.
101 Huntington Avenue
Boston, Massachusetts 02199-7603
(Name and Address of Agent for Service)

It is proposed that this filing will become effective (check appropriate box)
 immediately upon filing pursuant to paragraph (b)
 on September 3, 1996 pursuant to paragraph (b)
 60 days after filing pursuant to paragraph (a)
 on (date) pursuant to paragraph (a) of Rule 485

<TABLE>
CALCULATION OF REGISTRATION FEES UNDER THE SECURITIES ACT OF 1933

Title of Securities Being Registered -----	Amount of Shares Being Registered -----	Proposed Minimum Offering Price Per Share -----	Proposed Aggregate Maximum Offering Price -----	Amount of Registration Fee -----
<S>	<C>	<C>	<C>	<C>
Shares of Beneficial Interest	Indefinite*	N/A	N/A	N/A
Shares of Beneficial Interest	98,901,985	\$1.00	\$290,000	\$100

</TABLE>
* Registrant continues its election to register an indefinite number of shares of beneficial interest pursuant to Rule 24F-2 under the Investment Company Act of 1940, as amended.

** Registrant elects to calculate the maximum aggregate offering price pursuant to Rule 24E-2. 369,925,816 shares were redeemed during the fiscal year ended May 31, 1996. 369,701,865 shares were used for reductions pursuant to Paragraph (c) of Rule 24F-2 during the current fiscal year. 98,901,985 shares is the amount of redeemed shares used for reduction in this Amendment. Pursuant to Rule 457 (c) under the Securities Act of 1933, the maximum public offering price of \$1.00 per share on September 20, 1995 is the price used as the basis for calculating the registration fee. While no fee is required for the 98,611,985 shares, the Registrant has elected to register, for \$100, an additional 290,000 shares (approximately 290,000 shares at \$1.00 per share).

Pursuant to Rule 24F-2 under the Investment Company Act of 1940, Registrant has registered an indefinite number of securities under the Securities Act of 1933. The Registrant filed the notice required by Rule 24F-2 for its most recent fiscal year on or about July 29, 1996.

JOHN HANCOCK CURRENT INTEREST

CROSS
REFERENCE SHEET

<TABLE>
<CAPTION>

Item Number Statement of Additional

<S>	<C>	<C>
1	Front Cover Page	*
2	Expense Information; The Fund's Expenses; Share Price	*
3	The Fund's Financial Highlights; Performance	*
4	Investment Objective and Policies; Organization and Management of the Fund	*
5	Organization and Management of the Fund; The Fund's Expenses; Back Cover Page	*
6	Organization and Management of the Fund; Dividends and Taxes; How to Buy Shares; How to Redeem Shares; Additional Services and Programs	*
7	How to Buy Shares; Share Price; Additional Services and Programs; Alternative Purchase Arrangements; The Fund's Expenses; Back Cover Page	*
8	How to Redeem Shares	*
9	Not Applicable	*

Item Number
Form N-1A Part A

Prospectus Caption

Statement of Additional
Information Caption

10	*	Front Cover Page
11	*	Table of Contents
12	*	Organization of the Fund
13	*	Investment Objectives and Policies; Certain Investment Practices; Investment Restrictions
14	*	Those Responsible for Management
15	*	Those Responsible for Management
16	*	Investment Advisory and Other Services; Distribution Contracts; Transfer Agent Services; Custody of Portfolio; Independent Auditors
17	*	Brokerage Allocation
18	*	Description of the Fund's Shares
19	*	Net Asset Value; Additional Services and Programs
20	*	Tax Status
21	*	Distribution Contract
22	*	Calculation of Performance
23	*	Financial Statements

</TABLE>

 TABLE OF CONTENTS

<TABLE> <CAPTION>	Page ----
<S>	<C>
Expense Information.....	2
The Fund's Financial Highlights.....	3
Investment Objective and Policies.....	4
Organization and Management of the Fund.....	5
The Fund's Expenses.....	5
Dividends and Taxes.....	6
How to Buy Shares.....	7
Share Price.....	8
How to Redeem Shares.....	9
Additional Services and Programs.....	11
Investments, Techniques and Risk Factors.....	13
</TABLE>	

This Prospectus sets forth the information about John Hancock U.S. Government Cash Reserve (the "Fund"), a diversified series of John Hancock Current Interest (the "Trust"), that you should know before investing. Please read and retain it for future reference.

SHARES OF THE FUND ARE NOT DEPOSITS OR OBLIGATIONS OF, OR GUARANTEED OR ENDORSED BY, ANY BANK, AND THE SHARES ARE NOT FEDERALLY INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE FEDERAL RESERVE BOARD OR ANY OTHER GOVERNMENT AGENCY. AN INVESTMENT IN THE FUND IS NEITHER INSURED NOR GUARANTEED BY THE U.S. GOVERNMENT. THERE IS NO ASSURANCE THAT THE FUND WILL BE ABLE TO MAINTAIN A STABLE NET ASSET VALUE OF \$1.00 PER SHARE.

Additional information about the Fund and the Trust has been filed with the Securities and Exchange Commission (the "SEC"). You can obtain a copy of the Fund's Statement of Additional Information, dated September 3, 1996 and incorporated by reference into this Prospectus, free of charge by writing or telephoning: John Hancock Investor Services Corporation, P.O. Box 9116, Boston, Massachusetts 02205-9116, 1-800-225-5291 (1-800-544-6713 TDD).

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

EXPENSE INFORMATION

The purpose of the following information is to help you to understand the various fees and expenses you will bear, directly or indirectly, when you purchase Fund shares. The operating expenses included in the table and hypothetical example below are based on fees and expenses for the Fund's fiscal year ended May 31, 1996 adjusted to reflect current expenses. Actual fees and expenses of Fund shares in the future may be greater or less than those indicated.

<TABLE> <S>	<C>
SHAREHOLDER TRANSACTION EXPENSES	
Maximum sales charge imposed on purchases (as a percentage of offering price).....	None
Maximum sales charge imposed on reinvested dividends.....	None
Maximum deferred sales charge.....	None
Redemption fee+.....	None
Exchange fee.....	None
ANNUAL FUND OPERATING EXPENSES (as a percentage of average net assets)	
Management fee (after expense limitation) (b).....	0.00%
12b-1 fee (net of limitation) (b).....	0.00%
Other expenses (a) (b).....	0.35%
Total Fund operating expenses (b).....	0.35%
(a) Other Expenses include transfer agent, legal, audit, custody and other expenses.	
(b) Total Fund operating expenses in the table reflect voluntary and temporary limitations by the Fund's investment adviser and distributor. Without such limitations, the management fee, 12b-1 fee, other expenses and total fund operating expenses of the Fund would have been estimated as 0.50%, 0.15%, 0.61% and 1.26%, respectively.	
+ Redemption by wire fee (currently \$4.00) not included.	
</TABLE>	

	EXAMPLE:	1 YEAR	3 YEARS	5 YEARS	10 YEARS
		-----	-----	-----	-----
<S>		<C>	<C>	<C>	<C>
You would pay the following expenses for the indicated period of years on a hypothetical \$1,000 investment, assuming 5% annual return.....		\$ 4	\$ 11	\$ 20	\$44

(This example should not be considered a representation of past or future expenses. Actual expenses may be greater or lesser than those shown.)
The management and 12b-1 fees referred to above are more fully explained in this Prospectus under the caption "The Fund's Expenses" and in the Statement of Additional Information under the captions "Investment Advisory and Other Services" and "Distribution Contract."

2

THE FUND'S FINANCIAL HIGHLIGHTS

The following table of Financial Highlights has been audited by Ernst & Young LLP, the Fund's independent auditors, whose unqualified report is included in the Fund's 1996 Annual Report included in the Statement of Additional Information. Further information about the performance of the Fund is contained in the Fund's Annual Report to shareholders that may be obtained free of charge by writing or telephoning John Hancock Investor Services Corporation ("Investor Services"), at the address or telephone number listed on the front page of this Prospectus.

Selected data for each share outstanding throughout each period is as follows:

	YEAR ENDED MAY 31,									
	1996	1995 (C)	1994	1993	1992	1991	1990	1989	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
PER SHARE OPERATING PERFORMANCE										
Net asset value, beginning of period....	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Net investment income....	0.05	0.05	0.03	0.03	0.05	0.07	0.08	0.08	0.05	0.05
Less Distributions:										
Dividends from net investment income.....	(0.05)	(0.05)	(0.03)	(0.03)	(0.05)	(0.07)	(0.08)	(0.08)	(0.05)	(0.05)
Net asset value, end of period.....	\$1.00	1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total investment return at net asset value (b).....	5.59%	5.07%	3.04%	3.25%	4.95%	7.42%	8.66%	8.02%	5.50%	5.25%
Total adjusted investment return at net asset value (a) (b).....	4.84%	4.69%	2.74%	2.93%	4.62%	7.11%	8.35%	7.78%	5.50%	5.25%
RATIOS AND SUPPLEMENTAL DATA										
Net assets, end of period (000's omitted).....	\$28,907	\$29,131	\$94,408	\$123,106	\$109,358	\$200,092	\$164,509	\$69,346	\$48,774	\$73,048
Ratio of expenses to average net assets.....	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.55%	1.05%	0.91%
Ratio of adjusted expenses to average net assets (a).....	1.10%	0.73%	0.65%	0.67%	0.68%	0.66%	0.66%	0.79%	1.05%	0.91%
Ratio of net investment income to average net assets.....	5.41%	4.79%	2.96%	3.19%	4.86%	7.21%	8.27%	8.29%	5.42%	5.13%
Ratio of adjusted net investment income to average net assets (a).....	4.66%	4.41%	2.66%	2.87%	4.53%	6.90%	7.96%	8.05%	5.42%	5.13%

YIELD INFORMATION

For the seven days ended May 31, 1996, the Fund's annualized yield and effective yield were 4.97% and 5.09% respectively (with expense limitations), and 4.22% and 4.34% (without expense limitations). On May 31, 1996, the Fund's average portfolio maturity was 61 days.

Current information on the Fund's annualized yield during a recent seven-day period may be obtained by calling the Easi-Line at 1-800-338-8080 or a customer service representative, 1-800-225-5291.

For information on how the Fund calculates its annualized yield see the Statement of Additional Information.

- (a) Net of any fee reduction.
- (b) Total investment return assumes dividend reinvestment.
- (c) On December 22, 1994, John Hancock Advisers, Inc. became the investment adviser of the Fund.

3

INVESTMENT OBJECTIVE AND POLICIES

The Fund invests only in U.S. Government securities maturing within 13 months from the date of purchase and repurchase agreements with respect to these securities with an average portfolio maturity of 90 days or less. The Fund seeks to obtain maximum current income from these short-term investments to the extent consistent with maintaining liquidity and preserving capital. For a description of the types of U.S. Government securities and other money market instruments in which the Fund may invest, see "Investments, Techniques and Risk Factors."

THE FUND SEEKS TO OBTAIN MAXIMUM CURRENT
INCOME CONSISTENT WITH MAINTAINING
LIQUIDITY AND PRESERVING CAPITAL.

Securities in which the Fund invests may not earn as high a level of current income as longer-term or lower quality securities, which generally have less liquidity, greater market risk and more fluctuation in market value.

The return on an investment in the Fund will depend on the interest earned by the Fund's investments after expenses of the Fund are deducted. The return is paid to shareholders in the form of dividends.

The Fund seeks to maintain a net asset value of \$1.00 per share at all times. There can be no assurance that the Fund will be able to maintain a constant \$1.00 share price. However, because the Fund purchases high quality U.S. Government securities with short maturities, this policy helps to minimize any price decreases or increases that could result from changes in interest rates or an issuer's creditworthiness.

THE FUND SEEKS TO MAINTAIN A CONSTANT
\$1.00 SHARE PRICE.

The Fund has adopted certain investment restrictions which are detailed in the Statement of Additional Information, where they are designated as fundamental or nonfundamental. Fundamental investment restrictions may not be changed without shareholder approval. The Fund's investment objective, policies and restrictions (including a restriction on borrowing money and pledging assets), except as noted, are fundamental and may not be changed without the approval of the Fund's shareholders. Notwithstanding the Fund's fundamental investment restriction prohibiting investments in other investment companies, the Fund may, pursuant to an order granted by the SEC, invest in other investment companies in connection with a deferred compensation plan for the noninterested trustees of the John Hancock funds. There can be no assurance that the Fund will achieve its investment objective.

THE FUND FOLLOWS CERTAIN POLICIES WHICH
MAY HELP TO REDUCE INVESTMENT RISK.

RISK FACTORS. The Fund is intended for investors, both individual and institutional, who seek income at current money market rates at a relatively low cost while participating in the convenience, liquidity and higher yields offered by large denomination instruments available to investors such as the Fund. However, you should be aware that a Fund investment is not without risk. By itself, the Fund does not constitute a complete or balanced investment plan. It is important to note that unlike the U.S. Government securities in which the Fund may invest, shares of the Fund are neither insured nor guaranteed. For additional information about risks associated with an investment in the Fund, see "Investments, Techniques and Risk Factors."

4

When choosing brokerage firms to carry out the Fund's transactions, John Hancock Advisers, Inc. (the "Adviser") gives primary consideration to execution at the most favorable prices, taking into account the broker's professional ability and quality of service. Consideration may also be given to the broker's sales of Fund shares. Pursuant to procedures established by the Trustees, the Adviser may place securities transactions with brokers affiliated with the Adviser. These brokers include Tucker Anthony Incorporated, Sutro & Company, Inc. and John Hancock Distributors, Inc. They are indirectly owned by the John Hancock Mutual Life Insurance Company (the "Life Company"), which in turn indirectly owns the Adviser.

 BROKERS ARE CHOSEN ON BEST PRICE AND
 EXECUTION.

ORGANIZATION AND MANAGEMENT OF THE FUND

The Fund is organized as a separate, diversified portfolio of the Trust, which is an open-end management investment company incorporated as a Texas corporation in 1974 and reorganized as a Massachusetts business trust in 1991. The Trust reserves the right to create and issue a number of series of shares, or funds or classes thereof, which are separately managed and have different investment objectives. The Trust is not required to and does not intend to hold annual meetings of shareholders, although special meetings may be held for such purposes as electing or removing Trustees, changing fundamental policies or approving a management contract. The Fund, under certain circumstances, will assist in shareholder communications with other shareholders.

 THE TRUSTEES ELECT OFFICERS AND RETAIN THE
 INVESTMENT ADVISER WHO IS RESPONSIBLE FOR
 THE DAY-TO-DAY OPERATIONS OF THE FUND,
 SUBJECT TO THE TRUSTEES' POLICIES AND
 SUPERVISION.

The Adviser was organized in 1968 and is a wholly owned indirect subsidiary of the Life Company, a financial services company. The Adviser provides the Fund, and other investment companies in the John Hancock group of funds, with investment research and portfolio management services. John Hancock Funds, Inc. ("John Hancock Funds"), an indirect subsidiary of the Life Company, distributes shares for all of the John Hancock funds through selected broker-dealers ("Selling Brokers") with agreements with John Hancock Funds. Certain Fund officers are also officers of the Adviser and John Hancock Funds.

 JOHN HANCOCK ADVISERS, INC. ADVISES
 INVESTMENT COMPANIES HAVING A TOTAL ASSET
 VALUE OF MORE THAN \$19 BILLION.

In order to avoid conflicts with portfolio trades for the Fund, the Adviser and the Fund have adopted extensive restrictions on personal securities trading by personnel of the Adviser and its affiliates. Some of these restrictions are: preclearance for all personal trades and a ban on the purchase of initial public offerings, as well as contributions to specified charities of profits on securities held for less than 91 days. These restrictions are a continuation of the basic principle that the interests of the Fund and its shareholders come first.

THE FUND'S EXPENSES

For managing its investment and business affairs, the Fund pays a monthly fee to the Adviser which is based on a stated percentage of the Fund's average daily net assets as follows:

<TABLE>
 <CAPTION>

NET ASSET VALUE	ANNUAL RATE
<S>	<C>
First \$500 million.....	0.500%
Next \$250 million.....	0.425%
Next \$250 million.....	0.375%
Next \$500 million.....	0.350%
Next \$500 million.....	0.325%
Next \$500 million.....	0.300%
Amount Over \$2.5 billion.....	0.275%

</TABLE>

The Adviser has voluntarily and temporarily agreed to continue to limit the Fund's operating expenses and not to impose its management fee to the extent necessary to limit the total of the Fund's management fees and operating expenses to 0.35% of the average net assets attributable to Fund shares. For the fiscal year ended May 31, 1996, the Fund paid an advisory fee of 0.00% of the Fund's average daily net assets after the reduction by the Adviser.

The shareholders have adopted a distribution plan (a "Plan") pursuant to Rule 12b-1 under the Investment Company Act of 1940. Under the Plan, the Fund may pay distribution and service fees at an aggregate annual rate of up to 0.15% of the Fund's average daily net assets. Payment of these fees has been indefinitely suspended.

Information on the Fund's total expenses is in the Financial Highlights section of this Prospectus.

DIVIDENDS AND TAXES

DIVIDENDS. The Fund generally declares daily and pays monthly dividends, representing all or substantially all of its net investment income. The Fund will distribute net realized capital gains, if any, annually.

THE FUND GENERALLY DECLARES DIVIDENDS
DAILY AND DISTRIBUTES THEM MONTHLY.

Purchase orders which are received together with Federal funds by wire before 12:00 noon New York time will receive the dividend declared that day and other purchase orders, including any order with payment other than by Federal funds, will begin receiving dividends the following business day. Redemption orders received prior to 12:00 noon New York time will not receive that day's dividends.

Dividends are reinvested in additional shares of the Fund unless you elect the option to receive them in cash. If you elect the cash option and the U.S. Postal Service cannot deliver your checks, your election will be converted to the reinvestment option.

TAXATION. Dividends from the Fund's net investment income and net short-term capital gains are taxable to you for Federal income tax purposes as ordinary income. Dividends from the Fund's net long-term capital gains, if any, are taxable as long-term capital gain. The Fund does not anticipate that it will generally realize any long-term capital gains. Dividends are taxable, whether received in cash or reinvested in additional shares. Certain dividends may be paid by the Fund in January of a given year but may be treated as if you received them the previous December. The Fund will send you a statement by January 31 showing the federal tax status of the dividends you received for the prior year.

The Fund has qualified and intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). As a regulated investment company, the Fund will not be subject to Federal income tax on any net investment income and net realized capital gains that are distributed to its shareholders within the time period prescribed by the Code.

On the account application, you must certify that the social security or other taxpayer identification number you provide is correct and that you are not subject to backup withholding of Federal income tax. If you do not provide this information or are otherwise subject to this withholding, the Fund may be required to withhold 31% of your dividends.

6

In addition to Federal taxes, you may be subject to state, local or foreign taxes with respect to your investments in and distributions from the Fund. A state income (and possibly local income and/or intangible property) tax exemption is generally available to the extent the Fund's distributions are derived from interest on (or, in the case of intangibles taxes, the value of its assets is attributable to) certain U.S. Government obligations, provided in some states that certain thresholds for holdings of such obligations and/or reporting requirements are satisfied. Non-U.S. shareholders and tax-exempt shareholders are subject to a different tax treatment not described above. In many states, a portion of the Fund's dividends that represent interest received by the Fund on direct U.S. Government obligations may be exempt from tax. You should consult your tax adviser for specific advice.

HOW TO BUY SHARES

<TABLE>

<S> <C> <C> <C>

<C>

The minimum initial investment is \$20,000 (\$250 for group investments and retirement plans). Complete the Account Application attached to this Prospectus.
 </TABLE>

 OPENING AN ACCOUNT

<TABLE>
 <S> <C> <C> <C>

BY CHECK 1. Make your check payable to John Hancock Investor Services Corporation, P.O. Box 9115, Boston, MA, 02205-9115.
 2. Deliver the completed application and check to your registered representative or Selling Broker or mail it directly to Investor Services.

BY WIRE 1. Obtain an account number by contacting your registered representative or Selling Broker, or by calling 1-800-225-5291.
 2. Instruct your bank to wire funds to:
 First Signature Bank & Trust
 John Hancock Deposit Account No. 900000260
 ABA Routing No. 211475000
 For credit to: John Hancock U.S. Government Cash Reserve
 Your Account Number
 Name(s) under which account is registered
 3. Deliver the completed application to your registered representative, Selling Broker or mail it directly to Investor Services.
 4. SAME DAY. To receive the dividend declared on the same day you wire funds, you must telephone your order to Investor Services toll free 1-800-225-5291 by 12:00 noon New York time that day. See "Dividends and Taxation."

 BUYING ADDITIONAL SHARES

MONTHLY AUTOMATIC ACCUMULATION 1. Complete the "Automatic Investing" and "Bank Information" sections on the Account Privileges Application, designating a bank account from which funds may be drawn.

</TABLE>

<TABLE>
 <S> <C> <C> <C>

PROGRAM (MAAP) 2. The amount you elect to invest will be withdrawn automatically from your bank or credit union account.

BY TELEPHONE 1. Complete the "Invest-By-Phone" and "Bank Information" sections on the Account Privileges Application, designating a bank account from which your funds may be drawn. Note that, in order to invest by phone, your account must be in a bank or credit union that is a member of the Automated Clearing House system (ACH).
 2. After your authorization form has been processed, you may purchase additional shares by calling Investor Services toll-free 1-800-225-5291.
 3. Give the Investor Services representative the name(s) in which your account is registered, the Fund name, your account number, and the amount you wish to invest.
 4. Your investment normally will be credited to your account the business day following your phone request.

</TABLE>

<TABLE>
 <S> <C> <C> <C>

BY CHECK 1. Either complete the detachable stub included on your account statement or include a note with your investment listing the name of the Fund, your account number and the name(s) in which the account is registered.
 2. Make your check payable to John Hancock Investor Services Corporation.
 3. Mail the account information and check to:
 John Hancock Investor Services Corporation
 P.O. Box 9115
 Boston, MA 02205-9116
 or deliver it to your registered representative or Selling Broker.

BY WIRE

Instruct your bank to wire funds to:

First Signature Bank & Trust
John Hancock Deposit Account No. 900000260
ABA Routing No. 211475000
For credit to: John Hancock U.S. Government Cash Reserve
Your Account Number
Name(s) under which account is registered

SAME DAY. To receive the dividend declared on the same day you wire funds, you must telephone your order to Investor Services toll free 1-800-225-5291 by 12:00 noon New York time that day. See "Dividends and Taxation."

Other Requirements: All purchases must be made in U.S. dollars. Checks written on foreign banks will delay purchases until U.S. funds are received, and a collection charge may be imposed. Shares of the Fund are priced at the offering price based on the net asset value computed after Investor Services receives notification of the dollar equivalent from the Fund's custodian bank. Wire purchases normally take two or more hours to complete and, to be accepted the same day, must be received by 4:00 P.M., New York time. Your bank may charge a fee to wire funds. Telephone transactions are recorded to verify information. Certificates are not issued.

</TABLE>

You will receive a statement of your account after any transaction that affects your share balance or registration (statements related to reinvestment of dividends and automatic investment/withdrawal plans will be sent to you quarterly). A tax information statement will be mailed to you by January 31 of each year.

YOU WILL RECEIVE ACCOUNT STATEMENTS THAT
YOU SHOULD KEEP TO HELP WITH YOUR PERSONAL
RECORDKEEPING.

SHARE PRICE

The net asset value per share ("NAV") is the value of one share. The NAV is calculated by dividing the Fund's net assets by the number of outstanding shares of the Fund. Securities in the Fund's portfolio are valued at amortized cost which the Board has determined approximates market value. Under the amortized cost pricing method, a portfolio investment is valued at its cost and thereafter any discount or premium is amortized to maturity, regardless of the impact of fluctuating interest rates on the market value of the investment. Amortized cost pricing facilitates the maintenance of a \$1.00 constant net asset value per share, but, of course, this cannot be guaranteed.

THE PRICE OF YOUR SHARES IS THEIR NET
ASSET VALUE, WHICH WILL NORMALLY BE
CONSTANT AT \$1.00.

The NAV is calculated twice each day on which the New York Stock Exchange is open (the "Exchange") (i.e., at 12:00 noon and as of the close of regular trading on the Exchange, generally at 4:00 P.M., New York time) on each day that the Exchange is open.

Shares of the Fund are sold at the NAV computed after your investment request is received in good order by John Hancock Funds, which will normally be constant at \$1.00 per share. There is no sales charge. If you buy shares of the Fund through a

8

Selling Broker, the Selling Broker must receive your investment before the close of regular trading on the Exchange and transmit it to John Hancock Funds before its close of business to receive that day's price.

HOW TO REDEEM SHARES

You may redeem all or a portion of your shares on any business day. Your shares will be redeemed at the next NAV calculated after your redemption request is received in good order by Investor Services. The Fund may hold payment until it is reasonably satisfied that investments recently made by check or Invest-by-Phone have been collected (which may take up to 10 calendar days).

TO ASSURE ACCEPTANCE OF YOUR REDEMPTION
REQUEST, PLEASE FOLLOW THESE PROCEDURES.

Once your shares are redeemed, the Fund generally sends you payment on the next business day. Under unusual circumstances, the Fund may suspend redemptions or

(Uniform Gifts or Transfer to Minors Act), General Partners	to sign for the account, exactly as it is registered with the signature(s) guaranteed.
Corporation, Association	A letter of instruction and a corporate resolution, signed by person(s) authorized to act on the account with the signature(s) guaranteed.
Trusts	A letter of instruction signed by the trustee(s) with the signature(s) guaranteed. (If the trustee's name is not registered on your account, also provide a copy of the trust document, certified within the last 60 days.)

If you do not fall into any of these registration categories, please call 1-800-225-5291 for further instructions.

 WHO MAY GUARANTEE YOUR SIGNATURE.

A signature guarantee is a widely accepted way to protect you and the Fund by verifying the signature on your request. It may not be provided by a notary public. If the net asset value of the shares redeemed is \$100,000 or less, John Hancock Funds may guarantee the signature. The following institutions may provide you with a signature guarantee, provided that the institution meets credit standards established by Investor Services: (i) a bank; (ii) a securities broker or dealer, including a government or municipal securities broker or dealer, that is a member of a clearing corporation or meets certain net capital requirements; (iii) a credit union having authority to issue signature guarantees; (iv) a savings and loan association, a building and loan association, a cooperative bank, a federal savings bank or association; or (v) a national securities exchange, a registered securities exchange or a clearing agency.

</TABLE>

 ADDITIONAL INFORMATION ABOUT REDEMPTIONS.

<TABLE>		
<S>	<C>	<C>
THROUGH YOUR BROKER. Your broker may be able to initiate the redemption. Contact your broker for instructions.		

If you have certificates for your shares, you must submit them with your stock power or a letter of instructions. You may not redeem certificated shares by telephone.

</TABLE>

<TABLE>		
<S>	<C>	<C>
Due to the proportionately high cost of maintaining small accounts, the Fund reserves the right to redeem at net asset value all shares in an account which holds less than \$500 (except accounts under retirement plans) and to mail the proceeds to the shareholder, or the transfer agent may impose an annual fee of \$10.00. No account will be involuntarily redeemed or additional fee imposed, if the value of the account is in excess of the Fund's minimum initial investment or if the value of the account falls below the required minimum as a result of market action.		

Shareholders will be notified before these redemptions are to be made or this fee is imposed, and will have 30 days to purchase additional shares to bring their account balance up to the required minimum. Unless the number of shares acquired by additional purchases and any dividend reinvestments, exceeds the number of shares redeemed, repeated redemptions from a smaller account may eventually trigger this policy.

</TABLE>

 ADDITIONAL SERVICES AND PROGRAMS

EXCHANGE PRIVILEGE

If your investment objective changes, or if you wish to achieve further diversification, John Hancock offers other funds with a wide range of investment goals. Contact your registered representative or Selling Broker and request a prospectus for the John Hancock funds that interest you. Please read the prospectus carefully before exchanging your shares. You can exchange shares of the Fund for shares of another John Hancock fund. For this purpose, John Hancock

funds with only one class of shares will be treated as Class A, whether or not they have been so designated.

YOU MAY EXCHANGE SHARES OF THE FUND FOR
SHARES OF ANOTHER JOHN HANCOCK FUND.

Exchanges between funds that carry a front end sales charge will be subject to the sales charge described in the other fund's Prospectus (generally, 4.5% or 5.0%). Shares of the Fund acquired by exchange of shares of another fund on which a front end sales charge was previously paid are exchanged at net asset value.

An exchange of shares is treated as a redemption of shares of one fund and the purchase of shares of another for Federal income tax purposes. An exchange will not ordinarily result in a gain or loss if the Fund has maintained a constant net asset value.

The Fund reserves the right to require you to keep previously exchanged shares (and reinvested dividends) in the Fund for 90 days before you are permitted to execute a new exchange. The Fund may also terminate or alter the terms of the exchange privilege, upon 60 days' notice to shareholders.

When you make an exchange, your account registration in both the existing and new account must be identical. The exchange privilege is available only in states where the exchange can be made legally.

Under exchange agreements with John Hancock Funds, certain dealers, brokers and investment advisers may exchange their clients' Fund shares, subject to the terms of those agreements and John Hancock Funds' right to reject or suspend those exchanges at any time. Because of the restrictions and procedures under those agreements, the exchanges may be subject to timing limitations and other

11

restrictions that do not apply to exchanges requested by shareholders directly, as described above.

Because Fund performance and shareholders can be hurt by excessive trading, the Fund reserves the right to terminate the exchange privilege for any person or group that, in John Hancock Funds' judgment, is involved in a pattern of exchanges that coincide with a "market timing" strategy that may disrupt the Fund's ability to invest effectively according to its investment objective and policies, or might otherwise affect the Fund and its shareholders adversely. The Fund may also temporarily or permanently terminate the exchange privilege for any person who makes seven or more exchanges out of the Fund per calendar year. Accounts under common control or ownership will be aggregated for this purpose. Although the Fund will attempt to give prior notice whenever it is reasonably able to do so, it may impose these restrictions at any time.

BY TELEPHONE

1. When you complete the application for your initial purchase of Fund shares, you automatically authorize exchanges automatically by telephone unless you check the box indicating that you do not wish to authorize telephone exchanges.
2. Call 1-800-225-5291. Have the account number of your current fund and the exact name in which it is registered available to give to the telephone representative.
3. Your name, the account number, taxpayer identification number applicable to the account and other relevant information may be requested. In addition, telephone instructions are recorded.

IN WRITING

1. In a letter, request an exchange and list the following:

- the name of the Fund whose shares you currently own
- your account number
- the name(s) in which the account is registered
- the name of the fund in which you wish your exchange to be invested
- the number of shares, all shares or dollar amount you wish to exchange

Sign your request exactly as the account is registered.

2. Mail the request and information to:

John Hancock Investor Services Corporation
P.O. Box 9116
Boston, Massachusetts 02205-9116
SYSTEMATIC WITHDRAWAL PLAN

1. You can elect the Systematic Withdrawal Plan at any time by completing the

Account Privileges Application that is attached to this Prospectus. You can also obtain this application from your registered representative or by calling 1-800-225-5291.

2. To be eligible, you must have at least \$5,000 in your account.
3. Payments from your account can be made monthly, quarterly, semi-annually or annually or on a selected monthly basis to yourself or any other designated payee.

YOU CAN PAY ROUTINE BILLS FROM YOUR
ACCOUNT, OR MAKE PERIODIC DISBURSEMENTS OF
FUNDS FROM YOUR RETIREMENT ACCOUNT TO
COMPLY WITH IRS REGULATIONS.

12

4. There is no limit on the number of payees you may authorize, but all payments must be made at the same time or intervals.
5. Redemptions will be discontinued if the U.S. Postal Service cannot deliver your checks or if deposits to a bank account are returned for any reason.

YOU CAN MAKE AUTOMATIC INVESTMENTS AND
SIMPLIFY YOUR INVESTING.

MONTHLY AUTOMATIC ACCUMULATION PROGRAM (MAAP)

1. You can authorize an investment to be withdrawn automatically each month from your bank for investment in Fund shares under the "Automatic Investing" and "Bank Information" sections of the Account Privileges Application.
2. You can also authorize automatic investment through payroll deduction by completing the "Direct Deposit Investing" section of the Account Privileges Application.
3. You can terminate your Monthly Automatic Accumulation Program plan at any time.

RETIREMENT PLANS

1. You may use the Fund for various types of qualified retirement plans, including Individual Retirement Accounts, Keogh Plans (H.R. 10), pension and profit sharing plans (including 401(k) plans), Tax-Sheltered Annuity retirement plans (403(b) plans) and 457 plans.
2. The initial investment minimum or aggregate minimum for any of these plans is \$250. However, accounts being established as Group IRA, SEP, SARSEP, TSA, 401(k) and Section 457 plans will be accepted without an initial minimum investment.

INVESTMENTS, TECHNIQUES AND RISK FACTORS

GOVERNMENT SECURITIES. U.S. Government securities are issued or guaranteed as to principal and interest by the U.S. Government or one of its agencies or instrumentalities. Treasury bills, bonds and notes and certain obligations of government agencies and instrumentalities, such as Government National Mortgage Association pass-through certificates, are supported by the full faith and credit of the U.S. Treasury (the "Treasury"). Other obligations such as securities of the Federal Home Loan Bank are supported by the right of the issuer to borrow from the Treasury; while others, such as bonds issued by the Federal National Mortgage Association, which is a private corporation, are supported only by the credit of the issuing instrumentality. Obligations not backed by the full faith and credit of the U.S. Government may be secured, in whole or in part, by a line of credit with the Treasury or collateral consisting of cash or other securities which are backed by the full faith and credit of the U.S. Government. In the case of other obligations, the agency issuing or guaranteeing the obligation must be looked to for ultimate repayment. Variable Amount Demand Master Notes are obligations that permit the investment by the Fund of fluctuating amounts as determined by the Fund at varying rates of interest pursuant to direct arrangements between the

13

Fund and the issuing government agency. Although callable on demand by the Fund, these obligations are not marketable to third parties.

REPURCHASE AGREEMENTS. Repurchase agreements collateralized by U.S. Government

securities may be entered into with selected member banks of the Federal Reserve System or U.S. securities dealers. In a repurchase agreement, the Fund buys a security subject to the right and obligation to sell it back to the issuer at the same price plus accrued interest. These transactions must be fully collateralized at all times. The Fund may reinvest any cash collateral in short-term highly liquid debt securities. However, these transactions may involve some credit risk to the Fund if the other party should default on its obligation and the Fund is delayed in or prevented from recovering the collateral. The Fund will not enter into repurchase agreements of more than one week's duration if more than 10% of its net assets would then be so invested -- considering only the remaining days to maturity of existing repurchase agreements. In addition, the securities underlying repurchase agreements are not subject to the restrictions applicable to maturity of the portfolio or its securities.

MONEY MARKET INSTRUMENTS. Because interest rates on money market instruments fluctuate in response to economic factors, the rates on short-term investments made by the Fund and the daily dividend paid to investors will vary, rising or falling with short-term rates generally. All of these obligations in which the Fund invests are guaranteed by the U.S. government or one of its agencies or instrumentalities.

SHORT-TERM TRADING AND PORTFOLIO TURNOVER. Short-term trading means the purchase and subsequent sale of a security after it has been held for a relatively brief period of time. Short-term trading may have the effect of increasing portfolio turnover and may increase net short-term capital gains, distributions from which would be taxable to shareholders as ordinary income. The Fund does not intend to invest for the purpose of seeking short-term profits. The Fund's portfolio securities may be changed, however, without regard to the holding period of these securities (subject to certain tax restrictions), when the Adviser deems that this action will help achieve the Fund's objective given a change in an issuer's operations or changes in general market conditions. The Fund's portfolio turnover rate is set forth in the table under the caption "Financial Highlights."

14

(NOTES)

<TABLE>

<C>
JOHN HANCOCK U.S. GOVERNMENT
CASH RESERVE

<C>
JOHN HANCOCK
U.S. GOVERNMENT
CASH RESERVE

INVESTMENT ADVISER
John Hancock Advisers, Inc.
101 Huntington Avenue
Boston, Massachusetts 02199-7603

PROSPECTUS
SEPTEMBER 3, 1996

PRINCIPAL DISTRIBUTOR
John Hancock Funds, Inc.
101 Huntington Avenue
Boston, Massachusetts 02199-7603

A MONEY MARKET FUND
SEEKING TO OBTAIN MAXIMUM
CURRENT INCOME CONSISTENT
WITH MAINTAINING LIQUIDITY
AND PRESERVING CAPITAL.

CUSTODIAN
State Street Bank & Trust Company
225 Franklin Street
Boston, Massachusetts 02110

101 HUNTINGTON AVENUE
BOSTON, MASSACHUSETTS 02199-7603
TELEPHONE 1-800-225-5291

TRANSFER AGENT
John Hancock Investor Services
Corporation
P.O. Box 9116
Boston, Massachusetts 02205-9116

INDEPENDENT AUDITORS
Ernst & Young LLP
200 Clarendon Street
Boston, Massachusetts 02116

HOW TO OBTAIN INFORMATION
ABOUT THE FUND

For Service Information
For Telephone Exchange
call 1-800-225-5291
For Investment-by-Phone
For Telephone Redemption
For TDD call 1-800-544-6713

</TABLE>

JOHN HANCOCK U.S. GOVERNMENT CASH RESERVE

STATEMENT OF ADDITIONAL INFORMATION
SEPTEMBER 3, 1996

This Statement of Additional Information ("SAI") provides information about John Hancock U.S. Government Cash Reserve (the "Fund"), a diversified series of John Hancock Current Interest (the "Trust"), in addition to the information that is contained in the Fund's Prospectus, dated September 3, 1996.

This SAI is not a prospectus. It should be read in conjunction with the Prospectus, a copy of which can be obtained free of charge by writing or telephoning:

John Hancock Investor Services Corporation
P.O. Box 9116
Boston, Massachusetts 02205-5291
1-800-225-5291

Statement of
Additional
Information

Table of Contents

	Page
Organization of the Trust.....	2
Investment Objective and Policies.....	2
Certain Investment Practices.....	2
Investment Restrictions.....	3
Those Responsible for Management.....	5
Investment Advisory and Other Services.....	16
Distribution Contract.....	19
Amortized Cost Method of Portfolio Valuation.....	21
Purchase of Shares.....	22
Special Redemptions.....	22
Additional Services and Programs.....	22
Description of the Fund's Shares.....	23
Tax Status.....	24
Calculation of Performance.....	25
Brokerage Allocation.....	27
Transfer Agent Services.....	29
Custody of Portfolio.....	29
Independent Auditors.....	29
Financial Statements.....	29

ORGANIZATION OF THE TRUST

John Hancock Current Interest (the "Trust") is an open-end management investment company organized as a Massachusetts business trust under a Declaration of Trust dated October 3, 1991. The Trust currently has only one series designated as: John Hancock U.S. Government Cash Reserve (the "Fund"). Prior to December 22, 1994, the Fund was called Transamerica U.S. Government Cash Reserve.

The Fund is managed by John Hancock Advisers, Inc. (the "Adviser"), a wholly-owned indirect subsidiary of John Hancock Mutual Life Insurance Company (the "Life Company") chartered in 1862 with national headquarters at John Hancock Place, Boston, Massachusetts. John Hancock Funds, Inc. ("John Hancock Funds") acts as principal distributor of the shares of the Fund.

INVESTMENT OBJECTIVE AND POLICIES

See "Investment Objective and Policies" in the Prospectus. There can be no assurance that the Fund's investment objective will be realized.

As discussed under "Investment Objective and Policies" and "Investments, Techniques and Risk Factors" in the Prospectus, the Fund may invest only in securities issued or guaranteed by the U.S. Government. Such securities differ only in their interest rates, maturities and dates of issuance. Treasury bills have a maturity of one year or less. Treasury notes have maturities of 1-10 years and Treasury bonds have maturities of greater than 10 years at the date of

issuance. Investments in Treasury bonds or treasury notes will be limited to those having remaining maturities of less than 13 months.

CERTAIN INVESTMENT PRACTICES

Government Securities. Certain U.S. Government securities, including U.S. Treasury bills, notes and bonds, and Government National Mortgage Association certificates ("Ginnie Maes"), are supported by the full faith and credit of the United States. Certain other U.S. Government securities, issued or guaranteed by Federal agencies or government sponsored enterprises, are not supported by the full faith and credit of the United States, but may be supported by the right of the issuer to borrow from the U.S. Treasury. These securities include obligations of the Federal Home Loan Mortgage Corporation ("Freddie Macs"), and obligations supported by the credit of the instrumentality, such as Federal National Mortgage Association Bonds ("Fannie Maes"). No assurance can be given that the U.S. Government will provide financial support to such Federal agencies, authorities, instrumentalities and government sponsored enterprises in the future.

2

Repurchase Agreements. The Fund may enter into repurchase agreements collateralized by U.S. Government securities. A repurchase agreement is a contract under which the Fund would acquire a security for a relatively short period (generally not more than 7 days) subject to the obligation of the seller to repurchase and the Fund to resell such security at a fixed time and price (representing the Fund's cost plus interest). The Fund will enter into repurchase agreements only with member banks of the Federal Reserve System and with securities dealers. The Adviser will continuously monitor the creditworthiness of the parties with whom the Fund enters into repurchase agreements. The Fund has established a procedure providing that the securities serving as collateral for each repurchase agreement must be delivered to the Fund's custodian either physically or in book-entry form and that the collateral must be marked to market daily to ensure that each repurchase agreement is fully collateralized at all times. In the event of bankruptcy or other default by a seller of a repurchase agreement, the Fund could experience delays in liquidating the underlying securities and could experience losses, including the possible decline in the value of the underlying securities during the period in which the Fund seeks to enforce its rights thereto, possible subnormal levels of income and lack of access to income during this period, and the expense of enforcing its rights.

INVESTMENT RESTRICTIONS

The Fund has adopted certain fundamental investment restrictions upon its investments as set forth below which may not be changed without the approval of the holders of a majority of the outstanding shares of the Fund. A majority for this purpose means: (a) more than 50% of the outstanding shares of the Fund or (b) 67% or more of the shares represented at a meeting where more than 50% of the outstanding shares of the Fund are represented, whichever is less. Under these restrictions, the Fund may not:

1. Purchase common stocks, preferred stocks, warrants, other equity securities, private placements, corporate bonds or debentures maturing beyond one year from the date of purchase, state bonds, or industrial revenue bonds, except through the purchase of debt obligations referred to under "Investment Objective and Policies" in the Prospectus.
2. Sell securities short;
3. Write or purchase put or call options;
4. Underwrite the securities of another issuer, purchase securities subject to restrictions on disposition under the Securities Act of 1933 (so-called "restricted securities") or purchase securities which are not readily marketable;
5. Purchase or sell real estate, real estate investment trust securities, commodities, or oil and gas interests;

3

6. Make loans to other persons, except the Fund may enter into repurchase agreements as provided in the investment practices. The purchase of an issue of publicly distributed bonds, debentures or other securities, whether or not the purchase was made upon the original issuance of securities, is not considered to be the making of a loan;

7. Purchase any securities which would cause more than 25% of the value of the Fund's total assets at the time of such purchase to be invested in the securities of one or more issuers conducting their principal business activities in the same industry, provided that this limitation does not apply to investments in bank obligations of domestic branches of U.S. banks including

deposits with and obligation of savings institutions, obligations of foreign branches of domestic banks when the Adviser believes that the domestic parent will be ultimately responsible for payment if the issuing bank should fail to do so, U.S. Treasury Bills or other obligations issued or guaranteed by the U.S. Government, or one of its agencies or instrumentalities;

8. Invest in companies for the purpose of exercising control;

9. Invest more than 5% of the value of the Fund's assets in the securities of any one issuer (other than securities issued or guaranteed as to principal and interest by the U.S. Government, or one of its agencies or instrumentalities).

10. Borrow money except from banks for temporary or emergency purposes (but not to purchase investment securities) in an amount up to 1/3 of the value of the Fund's total assets. The borrowing restriction set forth above does not prohibit the use of reverse repurchase agreements, in an amount (including any borrowings) not to exceed 33 1/3% of net assets; or

11. Pledge its assets except in amounts not in excess of the lesser of the dollar amount borrowed or 15% of the value of the Fund's total assets at the time of borrowing and only to secure borrowings for temporary or emergency purposes.

In order to comply with certain state regulatory policies, the Fund will not, as a matter of non-fundamental policy, pledge, mortgage or hypothecate its assets in amounts that would exceed 10% of its net assets at market value.

Purchase a security if, as a result, (i) more than 10% of the Fund's total assets would be invested in the securities of other investment companies, (ii) the Fund would hold more than 3% of the total outstanding voting securities of any one investment company, or (iii) more than 5% of the Fund's total assets would be invested in the securities of any one investment company. These limitations do not apply to (a) the investment of cash collateral, received by the Fund in connection with lending of the Fund's portfolio securities, in the securities of open-end investment companies or (b) the purchase of shares of any investment company in connection with a merger, consolidation, reorganization or purchase of substantially all of the assets of another investment company. Subject to the above percentage limitations, each Fund may, in connection with

4

the John Hancock Group of Funds Deferred Compensation Plan for Independent Trustees/Directors, purchase securities of other investment companies within the John Hancock Group of Funds. Neither Fund may purchase the shares of any closed-end investment company except in the open market where no commission or profit to a sponsor or dealer results from the purchase, other than customary brokerage fees.

THOSE RESPONSIBLE FOR MANAGEMENT

The business of the Fund is managed by its Trustees who elect officers who are responsible for the day-to-day operations of the Fund and who execute policies formulated by the Trustees. Several of the officers and Trustees of the Fund are also officers and directors of the Adviser or officers and directors of John Hancock Funds.

Set forth below is the principal occupation or employment of the Trustees and principal officers of the Fund during the past five years.

All of the officers listed are officers or employees of the Adviser or affiliated companies. Some of the Trustees and officers may also be officers and/or Directors and/or Trustees of one or more of the other funds for which the Adviser serves as investment adviser.

5

<TABLE>
<CAPTION>

Name and Address -----	Positions Held With the Company -----	Principal Occupations(s) During the Past Five Years -----
<S> Edward J. Boudreau, Jr. * 101 Huntington Avenue Boston, MA 02199 October 1944	<C> Trustee, Chairman and Chief Executive Officer (1) (2)	<C> Chairman and Chief Executive Officer, the Adviser and The Berkeley Financial Group ("Berkeley Group"); Chairman, NM Capital Management, Inc. ("NM Capital") and John Hancock Advisers International Limited ("Advisers International"); Chairman, Chief Executive Officer and President, John Hancock Funds, Inc. ("John Hancock Funds"), John Hancock Investor Services Corporation ("Investor Services"), First Signature Bank and Trust Company and Sovereign Asset Management Corporation ("SAMCorp."); Director, John Hancock Freedom Securities Corporation, John Hancock Capital Corporation and New England/Canada Business Council; Member, Investment Company Institute Board of Governors; Director, Asia Strategic Growth Fund, Inc.; Trustee, Museum of Science; Vice Chairman and President, the Adviser (until July 1992); Chairman, John Hancock Distributors, Inc. (until April, 1994).

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- * Trustee may be deemed to be an "interested person" of the Corporation as defined in the Investment Company Act of 1940
- (1) Member of the Executive Committee. Under the Corporation's charter, the Executive Committee may generally exercise most of the powers of the Board of Directors.
 - (2) A member of the Investment Committee of the Adviser.
 - (3) Member of the Audit Committee and the Administration Committee.

6

Name and Address -----	Positions Held With the Company -----	Principal Occupations(s) During the Past Five Years -----
Thomas W.L. Cameron * Interstate/Johnson Lane 1892 Andell Bluff Blvd. Johns Island, SC 29455 February 1927	Trustee (2)	Chairman and Director, Sovereign Advisers, Inc.; Senior Vice President, Interstate/Johnson Lane Corp. (securities dealer).
James F. Carlin 233 West Central Street Natick, MA 01760 April 1940	Trustee (3)	Chairman and CEO, Carlin Consolidated, Inc. (management/investments); Director, Arbella Mutual Insurance Company (insurance), Consolidated Group Trust (insurance administration), Carlin Insurance Agency, Inc., West Insurance Agency, Inc. (until May 1995) Uno Restaurant Corp.; Chairman, Massachusetts Board of Higher Education (since 1995); Receiver, the City of Chelsea (until August 1992).

-
- * Trustee may be deemed to be an "interested person" of the Corporation as defined in the Investment Company Act of 1940
- (1) Member of the Executive Committee. Under the Corporation's charter, the Executive Committee may generally exercise most of the powers of the Board of Directors.

- (2) A member of the Investment Committee of the Adviser.
 (3) Member of the Audit Committee and the Administration Committee.

7

Name and Address -----	Positions Held With the Company -----	Principal Occupations(s) During the Past Five Years -----
William H. Cunningham 601 Colorado Street O'Henry Hall Austin, TX 78701 January 1944	Trustee (3)	Chancellor, University of Texas System and former President of the University of Texas, Austin, Texas; Lee Hage and Joseph D. Jamail Regents Chair of Free Enterprise; Director, LaQuinta Motor Inns, Inc. (hotel management company); Director, Jefferson-Pilot Corporation (diversified life insurance company) and LBJ Foundation Board (education foundation); Advisory Director, Texas Commerce Bank - Austin.
Charles F. Fretz RD #5, Box 300B Clothier Springs Road Malvern, PA 19355 June 1928	Trustee (3)	Retired; self employed; former Vice President and Director, Towers, Perrin, Foster & Crosby, Inc. (international management consultants) (1952-1985).
Harold R. Hiser, Jr. 123 Highland Avenue Short Hill, NJ 07078 October 1931	Trustee (3)	Executive Vice President, Schering-Plough Corporation (pharmaceuticals) (retired 1996); Director, ReCapital Corporation (reinsurance) (until 1995).

-
- * Trustee may be deemed to be an "interested person" of the Corporation as defined in the Investment Company Act of 1940
- (1) Member of the Executive Committee. Under the Corporation's charter, the Executive Committee may generally exercise most of the powers of the Board of Directors.
- (2) A member of the Investment Committee of the Adviser.
- (3) Member of the Audit Committee and the Administration Committee.

8

Name and Address -----	Positions Held With the Company -----	Principal Occupations(s) During the Past Five Years -----
Anne C. Hodsdon * 101 Huntington Avenue Boston, MA 02199 April 1953	President and Director (1) (2)	President and Chief Operating Officer, the Adviser; Director, Advisers International; Executive Vice President, the Adviser (until December 1994); Senior Vice President, the Adviser (until December 1993); Vice President, the Adviser (until 1991).
Charles L. Ladner UGI Corporation P.O. Box 858 Valley Forge, PA 19482 February 1938	Trustee (3)	Director, Energy North, Inc. (public utility holding company) (until 1992); Senior Vice President of UGI Corp. (public utilities LPGAS).

-
- * Trustee may be deemed to be an "interested person" of the Corporation as defined in the Investment Company Act of 1940

- (1) Member of the Executive Committee. Under the Corporation's charter, the Executive Committee may generally exercise most of the powers of the Board of Directors.
- (2) A member of the Investment Committee of the Adviser.
- (3) Member of the Audit Committee and the Administration Committee.

9

Name and Address -----	Positions Held With the Company -----	Principal Occupations(s) During the Past Five Years -----
Leo E. Linbeck, Jr. 3810 W. Alabama Houston, TX 77027 August 1934	Trustee (3)	Chairman, President, Chief Executive Officer and Director, Linbeck Corporation (a holding company engaged in various phases of the construction industry and warehousing interests); Former Chairman, Federal Reserve Bank of Dallas (1992, 1993); Chairman of the Board and Chief Executive Officer, Linbeck Construction Corporation; Director, PanEnergy Eastern Corporation (a diversified energy company), Daniel Industries, Inc. (manufacturer of gas measuring products and energy related equipment), GeoQuest International, Inc. (a geophysical consulting firm) (1980-1993); Director, Greater Houston Partnership.
Patricia P. McCarter 1230 Brentford Road Malvern, PA 19355 May 1928	Trustee (3)	Director and Secretary of the McCarter Corp. (machine manufacturer).

-
- * Trustee may be deemed to be an "interested person" of the Corporation as defined in the Investment Company Act of 1940
- (1) Member of the Executive Committee. Under the Corporation's charter, the Executive Committee may generally exercise most of the powers of the Board of Directors.
 - (2) A member of the Investment Committee of the Adviser.
 - (3) Member of the Audit Committee and the Administration Committee.

10

Name and Address -----	Positions Held With the Company -----	Principal Occupations(s) During the Past Five Years -----
Steven R. Pruchansky 4327 Enterprise Avenue Naples, FL 33942 August 1944	Trustee (1) (3)	Director and President, Mast Holdings, Inc. (since 1991); Director, First Signature Bank & Trust Company (until August 1991); Director, Mast Realty Trust (until 1994); President, Maxwell Building

Corp. (until 1991).

Richard S. Scipione *
John Hancock Place
P.O. Box 111
Boston, MA 02117
August 1937

Trustee

General Counsel, John Hancock Life Company; Director, the Adviser, Advisers International, John Hancock Funds, Investor Services, John Hancock Distributors, Inc., John Hancock Subsidiaries, Inc., John Hancock Property and Casualty Insurance and its affiliates (until November, 1993), SAMCorp. and NM Capital; Trustee, The Berkeley Group; Director JH Networking Insurance Agency, Inc.

Norman H. Smith
243 Mt. Oriole Lane
Linden, VA 22642
March 1933

Trustee (3)

Lieutenant General, United States Marine Corps; Deputy Chief of Staff for Manpower and Reserve Affairs, Headquarters Marine Corps; Commanding General III Marine Expeditionary Force/3rd Marine Division (retired 1991).

-
- * Trustee may be deemed to be an "interested person" of the Corporation as defined in the Investment Company Act of 1940
- (1) Member of the Executive Committee. Under the Corporation's charter, the Executive Committee may generally exercise most of the powers of the Board of Directors.
 - (2) A member of the Investment Committee of the Adviser.
 - (3) Member of the Audit Committee and the Administration Committee.

Name and Address -----	Positions Held With the Company -----	Principal Occupations(s) During the Past Five Years -----
John P. Toolan 13 Chadwell Place Morristown, NJ 07960 September 1930	Trustee (3)	Director, Smith Barney Muni Bond Funds, The Smith Barney Tax-Free Money Funds, Inc., Vantage Money Market Funds (mutual funds), The Inefficient-Market Fund, Inc. (closed-end investment company) and Smith Barney Trust Company of Florida; Chairman, Smith Barney Trust Company (retired December, 1991); Director, Smith Barney, Inc., Mutual Management Company and Smith Barney Advisers, Inc. (investment advisers) (retired 1991); Senior Executive Vice President, Director and member of the Executive Committee, Smith Barney, Harris Upham & Co., Incorporated (investment bankers) (until 1991).
Robert G. Freedman * 101 Huntington Avenue Boston, MA 02199 July 1938	Vice Chairman and Chief Investment Officer (2)	Vice Chairman and Chief Investment Officer, the Adviser; President, the Adviser (until December 1994); Director, the Adviser, Advisers International, John Hancock Funds, Investor Services, SAMCorp., and NM Capital; Senior Vice President, The Berkeley Group.

-
- * Trustee may be deemed to be an "interested person" of the Corporation as defined in the Investment Company Act of 1940
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 - (2) A member of the Investment Committee of the Adviser.
 - (3) Member of the Audit Committee and the Administration Committee.

Name and Address -----	Positions Held With the Company -----	Principal Occupations(s) During the Past Five Years -----
James B. Little * 101 Huntington Avenue Boston, MA 02199 February 1935	Senior Vice President and Chief Financial Officer	Senior Vice President, the Adviser, The Berkeley group, John Hancock Funds and Investor Services.
Susan S. Newton * 101 Huntington Avenue Boston, MA 02199 March 1950	Vice President and Secretary	Vice President and Assistant Secretary, the Adviser; Vice President and Secretary, John Hancock Funds, Investor Services and John Hancock Distributors, Inc. (until 1944); Secretary, SAMCorp; Vice President, The Berkeley Group.
John A. Morin * 101 Huntington Avenue Boston, MA 02199 July 1950	Vice President	Vice President, the Adviser, Investor Services and John Hancock Funds; Counsel, John Hancock Mutual Life Insurance Company; Vice President and Assistant Secretary, The Berkeley Group.
James J. Stokowski * 101 Huntington Avenue Boston, MA 02199 November 1946	Vice President and Treasurer	Vice President, the Adviser.

</TABLE>

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- * Trustee may be deemed to be an "interested person" of the Corporation as defined in the Investment Company Act of 1940
- (1) Member of the Executive Committee. Under the Corporation's charter, the Executive Committee may generally exercise most of the powers of the Board of Directors.
 - (2) A member of the Investment Committee of the Adviser.
 - (3) Member of the Audit Committee and the Administration Committee.

All of the officers listed are officers or employees of the Adviser of affiliated companies. Some of the Trustees and officers may also be officers and/or Directors and/or Trustees of one or more of the other funds for which the Adviser serves as investment adviser.

As of August 7, 1996, there were 34,180,198 shares of the Fund outstanding and officers and trustees of the Fund as a group beneficially owned less than 1% of these outstanding shares. At such date, Thomas R. Powers and Pat G. Powers JTWR0S, Houston, Texas held of record 4,216,564 shares representing approximately 12.34% of the shares outstanding; John R. Pipkin, 414 Tecumseh Lane, Houston, Texas held of record 1,821,648 shares representing approximately 5.33% of the shares outstanding. Such ownership represents an interest of more than 25% of the outstanding shares of the Fund resulting in the presumption of "control" as defined under the 1940 Act and has the likely result that such shareholder can materially affect a positive or negative vote on any matters which require the vote of all shareholders of the Fund. At such date, no other person owned of record or beneficially as much as 5% of the outstanding shares of the Fund.

As of December 22, 1994, the Trustees have established an Advisory Board which acts to facilitate a smooth transition of management over a two-year period (between Transamerica Fund Management Company ("TFMC"), the prior investment adviser, and the Adviser). The members of the Advisory Board are distinct from the Board of Trustees, do not serve the Fund in any other capacity and are persons who have no power to determine what securities are purchased or sold on behalf of the Fund. Each member of the Advisory Board may be contacted at 101 Huntington Avenue, Boston, Massachusetts 02199.

Members of the Advisory Board and their respective principal occupations during the past five years are as follows:

R. Trent Campbell, President, FMS, Inc. (financial and management services); former Chairman of the Board, Mosher Steel Company.

Mrs. Lloyd Bentsen, Formerly National Democratic Committeewoman from Texas; co-founder, Houston Parents' League; former board member of various civic and cultural organizations in Houston, including the Houston Symphony, Museum of Fine Arts and YWCA. Mrs. Bentsen is presently active in various civic and cultural activities in the Washington, D.C. area, including membership on the Area Board for The March of Dimes and is a National Trustee for the Botanic Gardens of Washington, D.C.

Thomas R. Powers, Formerly Chairman of the Board, President and Chief Executive Officer, TFMC; Director, West Central Advisory Board, Texas Commerce Bank; Trustee, Memorial Hospital System; Chairman of the Board of Regents of Baylor University; Member, Board of Governors, National Association of Securities Dealers, Inc.; Formerly, Chairman, Investment Company Institute; formerly, President, Houston Chapter of Financial Executive Institute.

14

Thomas B. McDade, Chairman and Director, TransTexas Gas Company; Director, Houston Industries and Houston Lighting and Power Company; Director, TransAmerican Companies (natural gas producer and transportation); Member, Board of Managers, Harris County Hospital District; Advisory Director, Commercial State Bank, El Campo; Advisory Director, First National Bank of Bryan; Advisory Director, Sterling Bancshares; Former Director and Vice Chairman, Texas Commerce Bancshares; and Vice Chairman, Texas Commerce Bank.

Compensation of the Board of Trustees and Advisory Board. The following table provides information regarding the compensation paid by the Fund and the other investment companies in the John Hancock Fund Complex to the Independent Trustees and the Advisory Board members for their services. Ms. Hodsdon and Messers. Boudreau and Scipione, each a non-Independent Trustee, and each of the officers of the Funds who are interested persons of the Adviser, are compensated by the Adviser and receive no compensation from the Fund for their services. The compensation to the Trustees and members of the Advisory Board from the Fund shown below is for the Fund's fiscal year ended May 31, 1996.

Trustees -----	Aggregate Compensation from the Fund -----	Total Compensation from all Funds in John Hancock Fund Complex to Trustees** -----
James F. Carlin	\$ 307	\$ 60,700
William H. Cunningham	430	69,700
Charles F. Fretz	322	56,200
Harold R. Hiser, Jr.	305	60,200
Charles L. Ladner	322	60,700
Leo E. Linbeck, Jr.	430	73,200
Patricia P. McCarter	322	60,700
Steven R. Pruchansky	325	62,700
Norman H. Smith	325	62,700
John P. Toolan	320	60,700
	-----	-----
	\$3,408	\$627,500

* As of December 31, 1995, the value of the aggregate accrued deferred compensation from all Funds in the John Hancock Fund complex for Mr. Cunningham was \$54,413, for Mr. Hiser was \$31,324, and for Mr. Toolan was \$71,437 under the John Hancock Deferred Compensation Plan for Trustees.

** The total compensation paid by the John Hancock Fund Complex to the Independent Trustees is \$627,500 as of the calendar year ended December 31, 1995. All Trustees are Trustees/Directors of 33 funds in the John Hancock Fund Complex.

15

Advisory Board*** -----	Aggregate Compensation from the Fund -----	Total Compensation from all Funds in John Hancock Fund Complex to Advisory Board*** -----
R. Trent Campbell	\$ 534	\$ 54,000
Mrs. Lloyd Bentsen	534	54,000
Thomas R. Powers	534	54,000
Thomas B. McDade	534	54,000
	-----	-----
TOTAL	\$2,136	\$216,000

*** For the calendar year ended December 31, 1995.

INVESTMENT ADVISORY AND OTHER SERVICES

As described in the Prospectus, the Fund receives its investment advice from the Adviser. Investors should refer to the Prospectus for a description of certain information concerning the investment management contract. Each of the Trustees and principal officers affiliated with the Fund who is also an affiliated person of the Adviser is named above, together with the capacity in which such person is affiliated with the Fund and the Adviser.

The Adviser, located at 101 Huntington Avenue, Boston, Massachusetts 02199-7603, was organized in 1968 and currently has more than \$19 billion in assets under management in its capacity as investment adviser to the Fund and the other mutual funds and publicly traded investment companies in the John Hancock group of funds having a combined total of over 1,080,000 shareholders. The Adviser is an affiliate of the Life Company, one of the most recognized and respected financial institutions in the nation. With total assets under management of \$80 billion, the Life Company is one of the ten largest life insurance companies in the United States and carries high ratings from Standard & Poor's and A.M. Best's. Founded in 1862, the Life Company has been serving clients for over 130 years.

The Fund has entered into an investment management contract with the Adviser. Under the investment management contract, the Adviser provides the Fund with (i) a continuous investment program, consistent with the Fund's stated investment objective and policies, and (ii) supervision of all aspects of the Fund's operations except those that are delegated to a custodian, transfer agent or other agent. The Adviser is responsible for the day-to-day management of the Fund's portfolio assets.

16

No person other than the Adviser and its directors and employees regularly furnishes advice to the Fund with respect to the desirability of the Fund investing in, purchasing or selling securities. The Adviser may from time to time receive statistical or other similar factual information, and information regarding general economic factors and trends, from the Life Company and its affiliates.

Under the terms of the investment management contract with the Trust on behalf of the Fund, all expenses which are not specifically paid by the Adviser and which are incurred in the operation of the Fund including, but not limited to, (i) the fees of the Trustees of the Fund who are not "interested persons," as such term is defined in the 1940 Act (the "Independent Trustees"), (ii) the fees of the members of the Fund's Advisory Board (described above) and (iii) the continuous public offering of the shares of the Fund are borne by the Fund. Subject to the conditions set forth in a private letter ruling that the Fund has received from the Internal Revenue Service relating to its multiple-class structure, class expenses properly allocable to any Class A or Class B shares will be borne exclusively by such class of shares.

As provided by the investment management contract, the Fund pays the Adviser an investment management fee, which is accrued daily and paid monthly in arrears, equal on an annual basis to a percentage of the Fund's average daily net asset value as follows:

Average Daily Net Assets of the Fund	Fee (annual rate)
First \$500 million.....	0.500%
Next \$250 million.....	0.425%
Next \$250 million.....	0.375%
Next \$500 million.....	0.350%
Next \$500 million.....	0.325%
Next \$500 million.....	0.300%
Amount Over \$2.5 billion.....	0.275%

The Adviser may voluntarily and temporarily reduce its advisory fee or make other arrangements to limit the Fund's expenses to a specified percentage of average daily net assets. The Adviser retains the right to re-impose the advisory fee and recover any other payments to the extent that, at the end of any fiscal year, the Fund's annual expenses fall below this limit.

In the event normal operating expenses of the Fund, exclusive of certain expenses prescribed by state law, are in excess of any state limit where the Fund is registered to sell shares of beneficial interest, the fee payable to the Adviser will be reduced to the extent of such excess and the Adviser will make

any additional arrangements necessary to eliminate any remaining excess expenses. Currently, the most restrictive limit applicable to the Fund is 2.5% of the first \$30,000,000 of the Fund's average daily net asset value, 2% of the next \$70,000,000 and 1.5% of the remaining average daily net asset value.

17

Pursuant to the investment management contract, the Adviser is not liable to the Fund or its shareholders for any error of judgment or mistake of law or for any loss suffered by the Fund in connection with the matters to which the contract relates, except a loss resulting from willful misfeasance, bad faith or gross negligence on the part of the Adviser in the performance of its duties or from its reckless disregard of the obligations and duties under the applicable contract.

The investment management contract initially expires on December 22, 1996 and will continue in effect from year to year thereafter if approved annually by a vote of a majority of the Independent Trustees of the Fund, cast in person at a meeting called for the purpose of voting on such approval, and by either a majority of the Trustees or the holders of a majority of the Fund's outstanding voting securities. The management contract may, on 60 days' written notice, be terminated at any time without the payment of any penalty to the Fund by vote of a majority of the outstanding voting securities of the Fund, by the Trustees or by the Adviser. The management contract terminates automatically in the event of its assignment.

Securities held by the Fund may also be held by other funds or investment advisory clients for which the Adviser or its affiliates provide investment advice. Because of different investment objectives or other factors, a particular security may be bought for one or more funds or clients when one or more are selling the same security. If opportunities for purchase or sale of securities by the Adviser or for other funds or clients for which the Adviser renders investment advice arise for consideration at or about the same time, transactions in such securities will be made, insofar as feasible, for the respective funds or clients in a manner deemed equitable to all of them. To the extent that transactions on behalf of more than one client of the Adviser or its respective affiliates may increase the demand for securities being purchased or the supply of securities being sold, there may be an adverse effect on price.

Under the investment management contract, the Fund may use the name "John Hancock" or any name derived from or similar to it only for so long as the investment management contract or any extension, renewal or amendment thereof remains in effect. If the Fund's investment management contract is no longer in effect, the Fund (to the extent that it lawfully can) will cease to use such name or any other name indicating that it is advised by or otherwise connected with the Adviser. In addition, the Adviser or the Life Company may grant the non-exclusive right to use the name "John Hancock" or any similar name to any other corporation or entity, including but not limited to any investment company of which the Life Company or any subsidiary or affiliate thereof or any successor to the business of any subsidiary or affiliate thereof shall be the investment adviser.

For the fiscal years ended May 31, 1994 and 1995 advisory fees by the Fund to TFMC, the Fund's former investment adviser, amounted to \$690,268 and \$310,040, respectively. For the fiscal year ended May 31, 1995 and 1996, advisory fees paid by the Fund to the Adviser amounted to \$130,358 and \$143,299, respectively. However, a portion of such fees were not imposed pursuant to the voluntary fee and expense limitation arrangements then in effect (see "The Fund's Expenses" in the Prospectus).

18

Administrative Services Agreement. The Fund was a party to an administrative services agreement with TFMC (the "Services Agreement"), pursuant to which TFMC performed bookkeeping and accounting services and functions, including preparing and maintaining various accounting books, records and other documents and keeping such general ledgers and portfolio accounts as are reasonably necessary for the operation of the Fund. Other administrative services included communications in response to shareholder inquiries and certain printing expenses of various financial reports. In addition, such staff and office space, facilities and equipment was provided as necessary to provide administrative services to the Fund. The Services Agreement was amended in connection with the appointment of the Adviser as adviser to the Fund to permit services under the Agreement to be provided to the Fund by the Adviser and its affiliates. The Services Agreement was terminated during the fiscal year 1995.

For the fiscal years ended May 31, 1994 and 1995, the Fund paid to TFMC (pursuant to the Services Agreement) \$48,703 and \$27,466 respectively, of which \$35,000 and \$19,884, respectively, was paid to TFMC and \$13,703 and \$7,582, respectively, were paid for certain data processing and pricing information services.

Distribution Contract. As discussed in the Prospectus, the Fund's shares are sold on a continuous basis at the public offering price. John Hancock Funds, a wholly-owned subsidiary of the Adviser, has the exclusive right, pursuant to the Distribution Contract dated December 22, 1994 (the "Distribution Contract"), to purchase shares from the Fund at net asset value for resale to the public or to broker-dealers at the public offering price. Upon notice to all broker-dealers ("Selling Brokers") with whom it has sales agreements, John Hancock Funds may allow such Selling Brokers up to the full applicable sales charge during periods specified in such notice. During these periods, such Selling Brokers may be deemed to be underwriters as that term is defined in the Securities Act of 1933.

The Distribution Contract was initially adopted by the affirmative vote of the Fund's Board of Trustees including the vote a majority of Independent Trustees, cast in person at a meeting called for such purpose. The Distribution Contract shall continue in effect until December 22, 1996 and from year to year thereafter if approved by either the vote of the Fund's shareholders or the Board of Trustees including the vote of a majority of Independent Trustees, cast in person at a meeting called for such purpose. The Distribution Contract may be terminated at any time, without penalty, by either party upon sixty (60) days' written notice or by a vote of a majority of the outstanding voting securities of the Fund and terminates automatically in the case of an assignment by John Hancock Funds.

Distribution Plan. The Board of Trustees, including the Independent Trustees of the Fund, approved a distribution plan pursuant to Rule 12b-1 under the 1940 Act for shares of the Fund (the "Plan"). The Plan was approved by a majority of the outstanding shares of the Fund on December 16, 1994 and became effective on December 22, 1994.

19

Under the Plan, expenditures shall be calculated and accrued daily and paid monthly or at such other intervals as the Trustees shall determine. The fee may be spent by John Hancock Funds on Distribution Expenses or Service Expenses. "Distribution Expenses" include any activities or expenses primarily intended to result in the sale of shares of the Fund, including, but not limited to: (i) initial and ongoing sales compensation payable out of such fee as such compensation is received by John Hancock Funds or by Selling Brokers, (ii) direct out-of-pocket expenses incurred in connection with the distribution of shares, including expenses related to printing of prospectuses and reports; (iii) preparation, printing and distribution of sales literature and advertising material; (iv) an allocation of overhead and other branch office expenses of John Hancock Funds related to the distribution of Fund Shares (v) distribution expenses that were incurred by the Fund's former distributor and not recovered through payments under the former plan; and (vi) in the event that any other investment company (the "Acquired Fund") sells all or substantially all of its assets to, merges with or otherwise engages in a combination with the Fund, distribution expenses originally incurred in connection with the distribution of the Acquired Fund's shares. Service Expenses under the Plan include payments made to, or on account of, account executives of selected broker-dealers (including affiliates of John Hancock Funds) and others who furnish personal and shareholder account maintenance services to shareholders of the Fund.

The Plan provides that it will continue in effect only as long as its continuance is approved at least annually by a majority of both the Trustees and the Independent Trustees. The Plan provides that it may be terminated (a) at any time by vote of a majority of the Trustees, a majority of the Independent Trustees, or a majority of the Fund's outstanding voting securities or (b) by John Hancock Funds on 60 days' notice in writing to the Fund. The Plan further provides that it may not be amended to increase the maximum amount of the fees for the services described therein without the approval of a majority of the outstanding shares of the Fund. The Plan provides that no material amendment to the Plan will, in any event, be effective unless it is approved by a majority vote of the Trustees and the Independent Trustees of the Fund. In adopting the Plans, the Board of Trustees has determined that, in their judgment, there is a reasonable likelihood that the Plan will benefit the holders of the shares of the Fund.

Information regarding the services rendered under the Plan and the Distribution Contract and the amounts paid therefor by the Fund is provided to, and reviewed by, the Board of Trustees on a quarterly basis. In its quarterly review, the Board of Trustees considers the continued appropriateness of the Plan and the Distribution Contract and the level of compensation provided therein.

When the Fund seeks an Independent Trustee to fill a vacancy or as a nominee for election by shareholders, the selection or nomination of the Independent Trustee is, under resolutions adopted by the Trustees contemporaneously with their adoption of the Plans, committed to the discretion of the Committee on Administration of the Trustees. The members of the Committee on Administration are all Independent Trustees and identified in this Statement of Additional Information under the heading "Those Responsible for Management."

AMORTIZED COST METHOD OF PORTFOLIO VALUATION

The Fund utilizes the amortized cost valuation method of valuing portfolio instruments in the absence of extraordinary or unusual circumstances. Under the amortized cost method, assets are valued by constantly amortizing over the remaining life of an instrument the difference between the principal amount due at maturity and the cost of the instrument to the Fund. The Trustees will from time to time review the extent of any deviation of the net asset value, as determined on the basis of the amortized cost method, from net asset value as it would be determined on the basis of available market quotations. If any deviation occurs which may result in unfairness either to new investors or existing shareholders, the Trustees will take such actions as they deem appropriate to eliminate or reduce such unfairness to the extent reasonably practicable. These actions may include selling portfolio instruments prior to maturity to realize gains or losses or to shorten the Fund's average portfolio maturity, withholding dividends, splitting, combining or otherwise recapitalizing outstanding shares or utilizing available market quotations to determine net asset value per share.

Since a dividend is declared to shareholders each time net asset value is determined, the net asset value per share of the Fund will normally remain constant at \$1.00 per share. There is no assurance that the Fund can maintain the \$1.00 per share value. Monthly, any increase in the value of a shareholder's investment from dividends is reflected as an increase in the number of shares in the shareholder's account or is distributed as cash if a shareholder has so elected.

It is expected that the Fund's net income will be positive each time it is determined. However, if because of a sudden rise in interest rates or for any other reason the net income of the Fund determined at any time is a negative amount, the Fund will offset the negative amount against income accrued during the month for each shareholder account. If at the time of payment of a distribution such negative amount exceeds a shareholder's portion of accrued income, the Fund may reduce the number of its outstanding shares by treating the shareholder as having contributed to the capital of the Fund that number of full or fractional shares which represents the amount of excess. By investing in the Fund, shareholders are deemed to have agreed to make such a contribution. This procedure is intended to permit the Fund to maintain its net asset value at \$1.00 per share.

If in the view of the Trustees it is inadvisable to continue the practice of maintaining net asset value at \$1.00 per share, the Trustees reserve the right to alter the procedures for determining net asset value. The Fund will notify shareholders of any such alteration.

PURCHASE OF SHARES

Shares of the Fund are offered at a price equal to their net asset value per share which will normally be constant at \$1.00. Share certificates will not be issued unless requested by the shareholder in writing, and then only will be issued for full shares.

SPECIAL REDEMPTIONS

Although it would not normally do so, the Fund has the right to pay the redemption price of shares of the Fund in whole or in part in portfolio securities as prescribed the Trustees. When the shareholder sells portfolio securities received in this fashion, he would incur a brokerage charge. Any such securities would be valued for the purposes of making such payment at the same value as used in determining net asset value. The Fund has elected to be governed by Rule 18f-1 under the 1940 Act, pursuant to which the Fund is obligated to redeem shares solely in cash up to the lesser of \$250,000 or 1% of the net asset value of the Fund during any 90 day period for any one account.

Exchange Privilege. As described more fully in the Prospectus, the Fund permits exchanges of Fund shares for shares of other funds and portfolios managed by the Adviser.

Systematic Withdrawal Plan. As described briefly in the Prospectus, the Fund permits the establishment of a Systematic Withdrawal Plan. Payments under this plan represent proceeds arising from the redemption of Fund shares. The Fund reserves the right to modify or discontinue the Systematic Withdrawal Plan of any shareholder on 30 days' prior written notice to such shareholder, or to discontinue the availability of such plan in the future. The shareholder may terminate the plan at any time by giving proper notice to Fund Services.

Monthly Automatic Accumulation Program ("MAAP"). This program is explained fully in the Fund's Prospectus and the Account Privileges Application. The program, as it relates to automatic investment checks, is subject to the following conditions:

The investments will be drawn on or about the day of the month indicated.

The privilege of making investments through the Monthly Automatic Accumulation Program may be revoked by Investor Services without prior notice if any investment is not honored by the shareholder's bank. The bank shall be under no obligation to notify the shareholder as to the non-payment of any check.

The program may be discontinued by the shareholder either by calling Investor Services or upon written notice to Investor Services which is received at least five (5) business days prior to the due date of any investment.

DESCRIPTION OF THE FUND'S SHARES

Ownership of the Fund is represented by transferable shares of beneficial interest. The Declaration of Trust permits the Trustees to create an unlimited number of series and classes of shares of the Fund and, with respect to each series and class, to issue an unlimited number of full or fractional shares and to divide or combine the shares into a greater or lesser number of shares without thereby changing the proportionate beneficial interests of the Fund. As of the date of this Statement of Additional Information, the Trustees have only authorized the shares of the Fund. Each share of the Fund represents an equal proportionate interest with each other share. Shares of the Fund have a par value of \$0.01 per share.

Pursuant to the Declaration of Trust, the Trustees may authorize the creation of additional series of shares (the proceeds of which would be invested in separate, independently managed portfolios) and additional classes within any series (which would be used to distinguish among the rights of different categories of shareholders, as might be required by future regulations or other unforeseen circumstances). As of the date of this Statement of Additional Information, the Trustees have authorized the issuance of only one class of shares of the Fund.

Voting Rights. Shareholders are entitled to a full vote for each full share held. The Trustees themselves have the power to alter the number and the terms of office of Trustees, and they may at any time lengthen their own terms or make their terms of unlimited duration (subject to certain removal procedures) and appoint their own successors, provided that at all times at least a majority of the Trustees have been elected by shareholders. The voting rights of shareholders are not cumulative, so that holders of more than 50 percent of the shares voting can, if they choose, elect all Trustees being selected, while the holders of the remaining shares would be unable to elect any Trustees. Although the Fund need not hold annual meetings of shareholders, the Trustees may call special meetings of shareholders for action by shareholder vote as may be required by the 1940 Act or the Declaration of Trust. Also, a shareholders' meeting must be called if so requested in writing by the holders of record of 10% or more of the outstanding shares of the Fund. In addition, the Trustees may be removed by the action of the holders of record of two-thirds or more of the outstanding shares.

Shareholder Liability. The Declaration of Trust provides that no Trustee, officer, employee or agent of the Fund is liable to the Fund or to a shareholder, nor is any Trustee, officer, employee or agent liable to any third persons in connection with the affairs of the Fund, except as such liability may arise from his or its own bad faith, willful misfeasance, gross negligence or reckless disregard of his duties. It also provides that all third persons shall look solely to the Fund's property for satisfaction of claims arising in connection with the affairs of the Fund. With the exceptions stated, the Declaration of Trust provides that a Trustee, officer, employee or agent is entitled to be indemnified against all liability in connection with the affairs of the Fund.

Under Massachusetts law, shareholders of a Massachusetts business trust could, under certain circumstances, be held personally liable for acts or obligations of the trust. However, the Fund's Declaration of Trust contains an express disclaimer of shareholder liability for acts, obligations and affairs of the Fund. The Declaration of Trust also provides for indemnification out of the Fund's assets for all losses and expenses of any shareholder held personally liable by reason of being or having been a shareholder. Liability is therefore limited to circumstances in which the Fund itself would be unable to meet its obligations, and the possibility of this occurrence is remote.

As a Massachusetts business trust, the Fund is not required to issue share certificates. The Fund shall continue without limitation of time subject to the provisions in the Declaration of Trust concerning termination by action of the shareholders.

TAX STATUS

The Fund has qualified and has elected to be treated as a "regulated investment company" under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), and intends to continue to so qualify in the future. As such and by complying with the applicable provisions of the Code regarding the sources of its income, the timing of its distributions, and the diversification of its assets, the Fund will not be subject to Federal income tax on taxable income (including net realized capital gains, if any) which is distributed to shareholders at least annually in accordance with the timing requirements of the Code.

The Fund will be subject to a four percent nondeductible federal excise tax on certain amounts not distributed (and not treated as having been distributed) on a timely basis in accordance with annual minimum distribution requirements. The Fund intends under normal circumstances to avoid liability for such tax by satisfying such distribution requirements.

Distributions of net investment income (which include original issue discount and accrued, recognized market discount) and any net realized short-term capital gains, as computed for Federal income tax purposes, will be taxable as described in the Prospectus whether taken in shares or in cash. Although the Fund does not expect to realize any net long-term capital gains, distributions from such gains, if any, would be taxable as long-term capital gains. Shareholders electing to receive distributions in the form of additional shares will have a cost basis for Federal income tax purposes in each share so received equal to the amount of cash they would have received had they taken the distribution in cash, divided by the number of shares received.

Upon a redemption of shares (including by exercise of the exchange privilege) a shareholder ordinarily will not realize a taxable gain or loss if, as anticipated, the Fund maintains a constant net asset value per share. If the Fund is not successful in maintaining a constant net asset value per share, a redemption may produce a taxable gain or loss.

Distributions from the Fund will not qualify for the dividends-received deduction for corporate shareholders.

For Federal income tax purposes, the Fund is permitted to carry forward a net capital loss in any year to offset net capital gains, if any, during the eight years following the year of the loss. To the extent subsequent net capital gains are offset by such losses, they would not result in Federal income tax liability to the Fund and would not be distributed as such to shareholders.

Different tax treatment, including penalties on certain excess contributions and deferrals, certain pre-retirement and post-retirement distributions and certain prohibited transactions, is accorded to accounts maintained as qualified retirement plans. Shareholders should consult their tax advisers for more information.

The Fund is not subject to Massachusetts corporate excise or franchise taxes. Provided that the Fund qualifies as a regulated investment company under the Code, the Fund will also not be required to pay any Massachusetts income tax.

The foregoing discussion relates solely to U.S. Federal income tax laws applicable to U.S. persons (i.e., U.S. citizens or residents and U.S. domestic corporations, partnerships, trusts or estates) subject to tax under such law. The discussion does not address special tax rules applicable to certain classes of investors, such as tax-exempt entities, insurance companies and financial

institutions. Dividends, capital gain distributions (if any), and ownership of or gains realized (if any) on the redemption (including an exchange) of shares of the Fund may also be subject to state and local taxes. Shareholders should consult their own tax advisers as to the federal, state or local tax consequences of ownership of shares of, and receipt of distributions from, the Fund in their particular circumstances.

Non-U.S. investors not engaged in U.S. trade or business with which their Fund investment is effectively connected will be subject to U.S. Federal income tax treatment that is different from that described above. These investors may be subject to nonresident alien withholding tax at the rate of 31% (or a lower rate under an applicable tax treaty) on amounts treated as ordinary dividends from the Fund. Non-U.S. investors should consult their tax advisers regarding such treatment and the application of foreign taxes to an investment in the Fund.

CALCULATION OF PERFORMANCE

For the purposes of calculating yield, daily income per share consists of interest and discount earned on the Fund's investments less provision for amortization of premiums and applicable expenses, divided by the number of shares outstanding, but does not include realized or unrealized appreciation or depreciation.

In any case in which the Fund reports its annualized yield, it will also furnish information as to the average portfolio maturities of the Fund. It will also report any material effect of realized gains or losses or unrealized appreciation on dividends which have been excluded from the computation of yield.

25

Yield calculations are based on the value of a hypothetical preexisting account with exactly one share at the beginning of the seven day period. Yield is computed by determining the net change in the value of the account during the base period and dividing the net change by the value of the account at the beginning of the base period to obtain the base period return. Base period is multiplied by 365/7 and the resulting figure is carried to the nearest 100th of a percent. Net change in account value during the base period includes dividends declared on the original share, dividends declared on any shares purchased with dividends of that share and any account or sales charges that would affect an account of average size, but excludes any capital changes.

Effective yield is computed by determining the net change, exclusive of capital changes, in the value of a hypothetical preexisting account having a balance of one share at the beginning of the period, subtracting a hypothetical charge reflecting deductions from shareholder accounts, and dividing the difference by the value of the account at the beginning of the base period to obtain the base period return, and then compounding the base period return by adding 1, raising the sum to a power equal to 365 divided by 7, and subtracting 1 from the result, according to the following formula:

$$\text{EFFECTIVE YIELD} = [(\text{BASE PERIOD RETURN} + 1)^{365/7}] - 1$$

The yield of the Fund is not fixed or guaranteed. Yield quotations should not be considered to be representations of yield of the Fund for any period in the future. The yield of the Fund is a function of available interest rates on money market instruments, which can be expected to fluctuate, as well as of the quality, maturity and types of portfolio instruments held by the Fund and of changes in operating expenses. The Fund's yield may be affected if, through net sales of its shares, there is a net investment of new money in the Fund which the Fund invests at interest rates different from that being earned on current portfolio instruments. Yield could also vary if the Fund experiences net redemptions, which may require the disposition of some of the Fund's current portfolio instruments.

From time to time, in reports and promotional literature, the Fund's yield and total return will be ranked or compared to indices of mutual funds and bank deposit vehicles such as Lipper Analytical Services, Inc. "Lipper-Fixed Income Fund Performance Analysis," a monthly publication which tracks net assets, total return, and yield on approximately 1,000 fixed income mutual funds in the United States or "IBC/Donahue's Money Fund Report," a similar publication. Comparisons may also be made to bank Certificates of Deposit, which differ from mutual funds, like the Fund, in several ways. The interest rate established by the sponsoring bank is fixed for the term of a CD, there are penalties for early withdrawal from CD's and the principal on a CD is insured. Unlike CD's, which are insured as to principal, an investment in the Fund is not insured or guaranteed.

26

Performance rankings and ratings, reported periodically in national financial publications such as MONEY MAGAZINE, FORBES, BUSINESS WEEK, THE WALL STREET JOURNAL, MICROPAL, INC., MORNINGSTAR, STANGER'S and BARRONS, will also be utilized. The Fund's promotional and sales literature may make reference to the Fund's "beta." Beta is a reflection of the market-related risk of the Fund by showing how responsive the Fund is to the market.

BROKERAGE ALLOCATION

Decisions concerning the purchase and sale of portfolio securities are made by the Adviser pursuant to recommendations made by its investment committee, which consists of officers and directors of the Adviser and affiliates and officers and Trustees who are interested persons of the Fund. Orders for purchases and sales of securities are placed in a manner which, in the opinion of the Investment Advisor will offer the best price and market for the execution of each such transaction. Purchases from underwriters of portfolio securities may include a commission or commissions paid by the issuer and transactions with dealers serving as market makers reflect a "spread." Investments in debt securities are generally traded on a net basis through dealers acting for their own account as principals and not as brokers; no brokerage commissions are payable on such transactions.

The Fund's primary policy is to execute all purchases and sales of portfolio instruments at the most favorable prices consistent with best execution, considering all of the costs of the transaction including brokerage commissions. This policy governs the selection of brokers and dealers and the market in which a transaction is executed. Consistent with the foregoing primary policy, the Rules of Fair Practice of the NASD and other policies that the Trustees may determine, the Adviser may consider sales of shares of the Fund as a factor in the selection of broker-dealers to execute the Fund's portfolio transactions.

To the extent consistent with the foregoing, the Fund will be governed in the selection of brokers and dealers, and the negotiation of brokerage commission rates and dealer spreads, by the reliability and quality of the services, including primarily the availability and value of research information and to a lesser extent statistical assistance furnished to the Adviser of the Fund, and their value and expected contribution to the performance of the Fund. It is not possible to place a dollar value on information and services to be received from brokers and dealers, since it is only supplementary to the research efforts of the Adviser. The receipt of research information is not expected to reduce significantly the expenses of the Adviser. The research information and statistical assistance furnished by brokers and dealers may benefit the Life Company or other advisory clients of the Adviser, and conversely, brokerage commissions and spreads paid by other advisory clients of the Adviser may result in research information and statistical assistance beneficial to the Fund. The Fund will make no commitments to allocate portfolio

27

transactions upon any prescribed basis. While the Fund's officers will be primarily responsible for the allocation of the Fund's brokerage business, their policies and practices in this regard must be consistent with the foregoing and will at all times be subject to review by the Trustees. For the fiscal years ended May 31, 1996, 1995 and 1994, no negotiated brokerage commissions were paid on portfolio transactions.

As permitted by Section 28(e) of the Securities Exchange Act of 1934, the Fund may pay to a broker which provides brokerage and research services to the Fund an amount of disclosed commission in excess of the commission which another broker would have charged for effecting that transaction. This practice is subject to a good faith determination by the Trustees that the price is reasonable in light of the services provided and to policies that the Trustees may adopt from time to time. During the fiscal year ended May 31, 1996, the Fund did not pay commissions as compensation to any brokers for research services such as industry, economic and company reviews and evaluations of securities.

The Adviser's indirect parent, the Life Company, is the indirect sole shareholder of John Hancock Distributors, Inc. ("Distributors"), a broker-dealer and John Hancock Freedom Securities Corporation and its two broker-dealer subsidiaries, Tucker Anthony Incorporated ("Tucker Anthony") and Sutro & Company, Inc. ("Sutro") all affiliated brokers. Pursuant to procedures determined by the Trustees and consistent with the above policy of obtaining best net results, the Fund may execute portfolio transactions with or through Tucker Anthony, Sutro or John Hancock Distributors. During the year ended May 31, 1996, the Fund did not execute any portfolio transactions with then affiliated brokers.

Any of the Affiliated Brokers may act as broker for the Fund on exchange transactions, subject, however, to the general policy of the Fund set forth above and the procedures adopted by the Trustees pursuant to the 1940 Act.

Commissions paid to an Affiliated Broker must be at least as favorable as those which the Trustees believe to be contemporaneously charged by other brokers in connection with comparable transactions involving similar securities being purchased or sold. A transaction would not be placed with an Affiliated Broker if the Fund would have to pay a commission rate less favorable than the Affiliated Broker's contemporaneous charges for comparable transactions for its other most favored, but unaffiliated, customers, except for accounts for which the Affiliated Broker acts as a clearing broker for another brokerage firm, and any customers of the Affiliated Broker not comparable to the Fund as determined by a majority of the Trustees who are not interested persons (as defined in the 1940 Act) of the Fund, the Adviser or the Affiliated Brokers. Because the Adviser, which is affiliated with the Affiliated Brokers, has, as an investment adviser to the Fund, the obligation to provide investment management services, which includes elements of research and related investment skills, such research and related skills will not be used by the Affiliated Brokers as a basis for negotiating commissions at a rate higher than that determined in accordance with the above criteria. The Fund will not effect principal transactions with Affiliated Brokers. The Fund may, however, purchase securities from other members of underwriting syndicates of which Tucker Anthony, Sutro and John Hancock Distributors are members, but only in accordance with the policy set forth above and procedures adopted and reviewed periodically by the Trustees.

28

TRANSFER AGENT SERVICES

John Hancock Investor Services Corporation, P.O. Box 9116, Boston, MA 02205-9116, a wholly owned indirect subsidiary of the Life Company, is the transfer and dividend paying agent for the Fund. The Fund pays Investor Services an annual fee of \$25.00 per account plus out-of-pocket expenses.

CUSTODY OF PORTFOLIO

Portfolio securities of the Fund are held pursuant to a custodian agreement between the Fund and State Street Bank and Trust Company, 225 Franklin Street, Boston, Massachusetts. Under the custodian agreement, State Street Bank performs custody, portfolio and fund accounting services.

INDEPENDENT AUDITORS

Ernst & Young LLP, 200 Clarendon Street, Boston, Massachusetts 02116, has been selected as the independent auditors of the Fund. The financial statements of the Fund included in the Prospectus and this Statement of Additional Information have been audited by Ernst & Young LLP for the periods indicated in their report thereon appearing elsewhere herein, and are included in reliance upon such report given upon the authority of such firm as experts in accounting and auditing.

FINANCIAL STATEMENTS

29

JOHN HANCOCK CURRENT INTEREST

PART C.

OTHER INFORMATION

Item 24. Financial Statements and Exhibits

(a) The financial statements listed below are included in and incorporated by reference into Part B of the Registration Statement from the 1996 Annual Report to Shareholders for the year ended May 31, 1996 (filed electronically on July 25, 1996; file nos. 811-2485 and 2-50931; accession number 0001010521-96-000133):

John Hancock U.S. Government Cash Reserve

Statement of Assets and Liabilities as of May 31, 1996.
Statement of Operations of the year ended May 31, 1996.

Statement of Changes in Net Asset for each of the two years in the period ended May 31, 1996.

Notes to Financial Statements.

Financial Highlights for each of the 10 years in the period ended May 31, 1996.

Schedule of Investments as of May 31, 1996.

Report of Independent Auditors.

(b) Exhibits:

The exhibits to this Registration Statement are listed in the Exhibit Index hereto and are incorporated herein by reference.

Item 25. Persons Controlled by or under Common Control with Registrant

No person is directly or indirectly controlled by or under common control with the Registrant.

Item 26. Number of Holders of Securities

As of August 7, 1996, the number of record holders of shares of Registrant was as follows:

Title of Class -----	Number of Record Holders -----
U.S. Government Cash Reserve	937

Item 27. Indemnification

(a) Indemnification provisions relating to the Registrant's Trustees, officers, employees and agents is set forth in Article VII of the Registrant's By Laws included as Exhibit 2 herein.

C-1

(b) Under Section 12 of the Distribution Agreement, John Hancock Funds, Inc. ("John Hancock Funds") has agreed to indemnify the Registrant and its Trustees, officers and controlling persons against claims arising out of certain acts and statements of John Hancock Funds.

Section 9(a) of the By-Laws of John Hancock Mutual Life Insurance Company ("Insurance Company") provides, in effect, that the Insurance Company will, subject to limitations of law, indemnify each present and former director, officer and employee of the of the Insurance Company who serves as a Trustee or officer of the Registrant at the direction or request of the Insurance Company against litigation expenses and liabilities incurred while acting as such, except that such indemnification does not cover any expense or liability incurred or imposed in connection with any matter as to which such person shall be finally adjudicated not to have acted in good faith in the reasonable belief that his action was in the best interests of the Insurance Company. In addition, no such person will be indemnified by the Insurance Company in respect of any liability or expense incurred in connection with any matter settled without final adjudication unless such settlement shall have been approved as in the best interests of the Insurance Company either by vote of the Board of Directors at a meeting composed of directors who have no interest in the outcome of such vote, or by vote of the policyholders. The Insurance Company may pay expenses incurred in defending an action or claim in advance of its final disposition, but only upon receipt of an undertaking by the person indemnified to repay such payment if he should be determined not to be entitled to indemnification.

Article IX of the respective By-Laws of John Hancock Funds and John Hancock Advisers, Inc. ("the Adviser") provide as follows:

"Section 9.01. Indemnity: Any person made or threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was at any time since the inception of the Corporation a director, officer, employee or agent of the Corporation, or is or was at any time since the inception of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and the liability was not incurred by reason of gross negligence or reckless disregard of the duties involved in the conduct of his office, and expenses in connection therewith may be advanced by the Corporation, all to the full extent authorized by the law."

"Section 9.02. Not Exclusive; Survival of Rights: The indemnification provided by Section 9.01 shall not be deemed exclusive of any other right to which those indemnified may be entitled, and shall continue as to a person who has ceased to

be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person."

Insofar as indemnification for liabilities under the Securities Act of 1933 (the "Act") may be permitted to Trustees, officers and controlling persons of the Registrant pursuant to the Registrant's Declaration of Trust and By-Laws of John Hancock Funds, the Adviser, or the Insurance Company or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange

C-2

Commission such indemnification is against policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant in the successful defense of any action, suit or proceeding) is asserted by such Trustee, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

Item 28. Business and Other Connections of Investment Advisers

For information as to the business, profession, vocation or employment of a substantial nature of each of the officers and Directors of the Adviser, reference is made to Forms ADV (801-8124) filed under the Investment Advisers Act of 1940, which is incorporated herein by reference.

Item 29. Principal Underwriters

(a) John Hancock Funds acts as principal underwriter for the Registrant and also serves as principal underwriter or distributor of shares for John Hancock Cash Reserve, Inc., John Hancock Bond Trust, John Hancock Current Interest, John Hancock Series, Inc., John Hancock Tax-Free Bond Trust, John Hancock California Tax-Free Income Fund, John Hancock Capital Series, John Hancock Limited Term Government Fund, John Hancock Sovereign Investors Fund, Inc., John Hancock Special Equities Fund, John Hancock Sovereign Bond Fund, John Hancock Tax-Exempt Series, John Hancock Strategic Series, John Hancock Technology Series, Inc., John Hancock World Fund, John Hancock Investment Trust, John Hancock Institutional Series Trust, Freedom Investment Trust, Freedom Investment Trust II and Freedom Investment Trust III.

(b) The following table lists, for each director and officer of John Hancock Funds, the information indicated.

C-3

<TABLE>
<CAPTION>

Name and Principal Business Address -----	Positions and Offices with Underwriter -----	Positions and Offices with Registrant -----
<S> Edward J. Boudreau, Jr. 101 Huntington Avenue Boston, Massachusetts	<C> Director, Chairman, President and Chief Executive Officer	<C> Trustee, Chairman and Chief Executive Officer
Robert H. Watts John Hancock Place P.O. Box 111 Boston, Massachusetts	Director, Executive Vice President and Chief Compliance Officer	None
Robert G. Freedman 101 Huntington Avenue Boston, Massachusetts	Director	Chairman and Chief Investment Officer
Stephen M. Blair 101 Huntington Avenue Boston, Massachusetts	Executive Vice President	None

James W. McLaughlin 101 Huntington Avenue Boston, Massachusetts	Senior Vice President and Chief Financial Officer	None
David A. King 101 Huntington Avenue Boston, Massachusetts	Director	None
James B. Little 101 Huntington Avenue Boston, Massachusetts	Senior Vice President	Senior Vice President and Chief Financial Officer

Name and Principal
Business Address

Positions and Offices
with Underwriter

Positions and Offices
with Registrant

William S. Nichols 101 Huntington Avenue Boston, Massachusetts	Senior Vice President	None
John A. Morin 101 Huntington Avenue Boston, Massachusetts	Vice President and Secretary	Vice President
Susan S. Newton 101 Huntington Avenue Boston, Massachusetts	Vice President	Vice President and Secretary
Christopher M. Meyer 101 Huntington Avenue Boston, Massachusetts	Second Vice President and Treasurer	None
Stephen L. Brown John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	None
Thomas E. Moloney John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	None
Jeanne M. Livermore John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	None
Richard S. Scipione John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	Trustee
John Goldsmith John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	None

C-5

Name and Principal
Business Address

Positions and Offices
with Underwriter

Positions and Offices
with Registrant

Richard O. Hansen John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	None
John M. DeCiccio John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	None
Foster L. Aborn John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	None
David F. D'Alessandro John Hancock Place	Director	None

P.O. Box 111
Boston, Massachusetts

William C. Fletcher 53 State Street Boston, Massachusetts	Director	None
James V. Bowers 101 Huntington Avenue Boston, Massachusetts	Executive Vice President	None
Anthony P. Petrucci 101 Huntington Avenue Boston, Massachusetts	Senior Vice President	None
Charles H. Womack 6501 Americas Parkway Suite 950 Albuquerque, New Mexico	Senior Vice President	None
Keith Harstein 101 Huntington Avenue Boston, Massachusetts	Senior Vice President	None
Griselda Lyman 101 Huntington Avenue Boston, Massachusetts	Vice President	None
Karen Walsh 101 Huntington Avenue Boston, Massachusetts	Vice President	None

</TABLE>

C-6

(c) None.

Item 30. Location of Accounts and Records

The Registrant maintains the records required to be maintained by it under Rules 31a-1 (a), 31a-1(b), and 31a-2(a) under the Investment Company Act of 1940 at its principal executive offices at 101 Huntington Avenue, Boston Massachusetts 02199-7603. Certain records, including records relating to Registrant's shareholders and the physical possession of its securities, may be maintained pursuant to Rule 31a-3 at the main offices of Registrant's Transfer Agent and Custodian.

Item 31. Management Services

Not applicable.

Item 32. Undertakings

(a) Not applicable

(b) Not applicable

(c) Registrant hereby undertakes to furnish each person to whom a prospectus with respect to a series of the Registrant is delivered with a copy of the latest annual report to shareholders with respect to that series upon request and without charge.

(d) Registrant undertakes to comply with Section 16(c) of the Investment Company Act of 1940, as amended which relates to the assistance to be rendered to shareholders by the Trustees of the Registrant in calling a meeting of shareholders for the purpose of voting upon the question of the removal of a trustee.

C-7

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 and the Investment Company Act of 1940, the Registrant certifies that it meets all the requirements for effectiveness of this Registration Statement pursuant to Rule 485(b) under the Securities Act of 1933 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereto duly authorized, in the City of Boston and The Commonwealth of Massachusetts on the 26th day of August, 1996.

JOHN HANCOCK CURRENT INTEREST

By: _____
 *
 Edward J. Boudreau, Jr.
 Chairman and Chief Executive
 Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

<TABLE>
 <CAPTION>

Signature -----	Title -----	Date ----
<S>	<C>	<C>
----- * Edward J. Boudreau, Jr.	Chairman and Chief Executive Officer (Principal Executive Officer)	
/s/ James B. Little ----- James B. Little	Senior Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	August 26, 1996
----- * James F. Carlin	Trustee	
----- * William H. Cunningham	Trustee	
----- * Charles F. Fretz	Trustee	
----- * Anne C. Hodsdon	Trustee	

C-8

Signature -----	Title -----	Date ----
----- * Charles L. Ladner	Trustee	
----- * Leo E. Linbeck, Jr.	Trustee	
----- * Patricia P. McCarter	Trustee	
----- * Steven R. Pruchansky	Trustee	
----- * Richard S. Scipione	Trustee	
----- * Norman H. Smith	Trustee	

Trustee

John P. Toolan

*By: /s/ Susan S. Newton

Susan S. Newton,
Attorney-in-Fact under
Powers of Attorney dated
June 25, 1996, filed herewith.

August 26, 1996

</TABLE>

C-9

John Hancock Current Interest

EXHIBIT INDEX

Exhibit No.	Exhibit Description
99.B1	Amended and Restated Declaration of Trust dated July 1, 1996.+
99.B2	Amended By-Laws.*
99.B3	Not Applicable
99.B4	Not Applicable
99.B5	Investment Management Contract between John Hancock Advisers, Inc. and the Registrant on behalf of U.S. Government Cash Reserve Fund.*
99.B6	Distribution Agreement between John Hancock Broker Distribution Services, Inc. and the Registrant dated December 22, 1994.*
99.B6.1	Form of Soliciting Dealer Agreement between John Hancock Funds, Inc. and Selected Dealers.*
99.B6.2	Form of Financial Institution Sales and Service Agreement between John Hancock Funds, Inc. and the John Hancock funds.*
99.B7	Not Applicable
99.B8	Master Custodian Agreement between the John Hancock funds and Investors Bank and Trust Company.*
99.B9	Transfer Agency Agreement between John Hancock Investor Services Corporation and the John Hancock funds.*
99.B10	Rule 24(e) opinion.+
99.B11	Auditor's Consent.+
99.B12	Not Applicable
99.B13	Not Applicable
99.B14	Not Applicable

C-10

99B15	Not Applicable
99.B16	Schedule of Computation of Yield and Total Return.+
99.27	Financial Data Schedule+

* Previously filed electronically with post-effective amendment number 48 (file nos. 811-02485 and 2-50931) on September 27, 1995, accession number 0000950135-95-001114.

+ Filed herewith.

C-11

AMENDED AND RESTATED
DECLARATION OF TRUST
OF
JOHN HANCOCK CURRENT INTEREST
101 Huntington Avenue
Boston, Massachusetts 02199

Dated July 1, 1996

DECLARATION OF TRUST made this 1st day of July, 1996 by the undersigned (together with all other persons from time to time duly elected, qualified and serving as Trustees in accordance with the provisions of Article II hereof, the "Trustees");

WHEREAS, pursuant to a declaration of trust executed and delivered on October 8, 1991 (the "Original Declaration"), the Trustees established a trust for the investment and reinvestment of funds contributed thereto;

WHEREAS, the Trustees divided the beneficial interest in the trust assets into transferable shares of beneficial interest, as provided therein;

WHEREAS, the Trustees declared that all money and property contributed to the trust established thereunder be held and managed in trust for the benefit of the holders, from time to time, of the shares of beneficial interest issued thereunder and subject to the provisions thereof;

WHEREAS, the Trustees desire to amend and restate the Original Declaration;

NOW, THEREFORE, in consideration of the foregoing premises and the agreements contained herein, the undersigned, being all of the Trustees of the trust, hereby amend and restate the Original Declaration as follows:

ARTICLE I

NAME AND DEFINITIONS

Section 1.1. Name. The name of the trust created hereby is "John Hancock Current Interest" (the "Trust").

Section 1.2. Definitions. Wherever they are used herein, the following terms have the following respective meanings:

(a) "Administrator" means the party, other than the Trust, to the contract described in Section 3.3 hereof.

(b) "By-laws" means the By-laws referred to in Section 2.8 hereof, as amended from time to time.

(c) "Class" means any division of shares within a Series in accordance with the provisions of Article V.

(d) The terms "Commission" and "Interested Person" have the meanings given them in the 1940 Act. Except as such term may be otherwise defined by the Trustees in conjunction with the establishment of any Series, the term "vote of a majority of the Outstanding Shares entitled to vote" shall have the same meaning as is assigned to the term "vote of a majority of the outstanding voting securities" in the 1940 Act.

(e) "Custodian" means any Person other than the Trust who has custody of any Trust Property as required by Section 17(f) of the 1940 Act, but does not include a system for the central handling of securities described in said Section 17(f).

(f) "Declaration" means this Declaration of Trust as amended from time to time. Reference in this Declaration of Trust to "Declaration," "hereof," "herein," and "hereunder" shall be deemed to refer to this Declaration rather than exclusively to the article or section in which such words appear.

(g) "Distributor" means the party, other than the Trust, to the contract described in Section 3.1 hereof.

(h) "Fund" or "Funds" individually or collectively, means the separate Series of the Trust, together with the assets and liabilities assigned thereto.

(i) "Fundamental Restrictions" means the investment restrictions set forth in the Prospectus and Statement of Additional Information for any Series and designated as fundamental restrictions therein with respect to such Series.

(j) "His" shall include the feminine and neuter, as well as the masculine, genders.

(k) "Investment Adviser" means the party, other than the Trust, to the contract described in Section 3.2 hereof.

(l) The "1940 Act" means the Investment Company Act of 1940, as amended from time to time.

(m) "Person" means and includes individuals, corporations, partnerships, trusts, associations, joint ventures and other entities, whether or not legal entities, and governments and agencies and political subdivisions thereof.

(n) "Prospectus" means the Prospectuses and Statements of Additional Information included in the Registration Statement of the Trust under the Securities Act of 1933, as amended, as such Prospectuses and Statements of

Additional Information may be amended or supplemented and filed with the Commission from time to time.

(o) "Series" individually or collectively means the separately managed component(s) of the Trust (or, if the Trust shall have only one such component, then that one) as may be established and designated from time to time by the Trustees pursuant to Section 5.11 hereof.

2

(p) "Shareholder" means a record owner of Outstanding Shares.

(q) "Shares" means the equal proportionate units of interest into which the beneficial interest in the Trust shall be divided from time to time, including the Shares of any and all Series or of any Class within any Series (as the context may require) which may be established by the Trustees, and includes fractions of Shares as well as whole Shares. "Outstanding" Shares means those Shares shown from time to time on the books of the Trust or its Transfer Agent as then issued and outstanding, but shall not include Shares which have been redeemed or repurchased by the Trust and which are at the time held in the treasury of the Trust.

(r) "Transfer Agent" means any Person other than the Trust who maintains the Shareholder records of the Trust, such as the list of Shareholders, the number of Shares credited to each account, and the like.

(s) "Trust" means John Hancock Current Interest.

(t) "Trustees" means the persons who have signed this Declaration, so long as they shall continue in office in accordance with the terms hereof, and all other persons who now serve or may from time to time be duly elected, qualified and serving as Trustees in accordance with the provisions of Article II hereof, and reference herein to a Trustee or the Trustees shall refer to such person or persons in this capacity or their capacities as trustees hereunder.

(u) "Trust Property" means any and all property, real or personal, tangible or intangible, which is owned or held by or for the account of the Trust or the Trustees, including any and all assets of or allocated to any Series or Class, as the context may require.

ARTICLE II

TRUSTEES

Section 2.1. General Powers. The Trustees shall have exclusive and absolute control over the Trust Property and over the business of the Trust to the same extent as if the Trustees were the sole owners of the Trust Property and business in their own right, but with such powers of delegation as may be permitted by this Declaration. The Trustees shall have power to conduct the

business of the Trust and carry on its operations in any and all of its branches and maintain offices both within and without The Commonwealth of Massachusetts, in any and all states of the United States of America, in the District of Columbia, and in any and all commonwealths, territories, dependencies, colonies, possessions, agencies or instrumentalities of the United States of America and of foreign governments, and to do all such other things and execute all such instruments as they deem necessary, proper or desirable in order to promote the interests of the Trust although such things are not herein specifically mentioned. Any determination as to what is in the interests of the Trust made by the Trustees in good faith shall be conclusive. In construing the provisions of this Declaration, the presumption shall be in favor of a grant of power to the Trustees.

The enumeration of any specific power herein shall not be construed as limiting the aforesaid powers. Such powers of the Trustees may be exercised without order of or resort to any court.

Section 2.2. Investments. The Trustees shall have the power:

(a) To operate as and carry on the business of an investment company, and exercise all the powers necessary and appropriate to the conduct of such operations.

(b) To invest in, hold for investment, or reinvest in, cash; securities, including common, preferred and preference stocks; warrants; subscription rights; profit-sharing interests or participations and all other contracts for or evidence of equity interests; bonds, debentures, bills, time notes and all other evidences of indebtedness; negotiable or non-negotiable instruments; government securities, including securities of any state, municipality or other political subdivision thereof, or any governmental or quasi-governmental agency or instrumentality; and money market instruments including bank certificates of deposit, finance paper, commercial paper, bankers' acceptances and all kinds of repurchase agreements, of any corporation, company, trust, association, firm or other business organization however established, and of any country, state, municipality or other political subdivision, or any governmental or quasi-governmental agency or instrumentality; any other security, instrument or contract the acquisition or execution of which is not prohibited by any Fundamental Restriction; and the Trustees shall be deemed to have the foregoing powers with respect to any additional securities in which the Trust may invest should the Fundamental Restrictions be amended.

(c) To acquire (by purchase, subscription or otherwise), to hold, to trade in and deal in, to acquire any rights or options to purchase or sell, to sell or otherwise dispose of, to lend and to pledge any such securities, to enter into repurchase agreements, reverse repurchase agreements, firm commitment agreements, forward foreign currency exchange contracts, interest rate, mortgage or currency swaps, and interest rate caps, floors and collars, to purchase and sell options on securities, indices, currency, swaps or other financial assets,

futures contracts and options on futures contracts of all descriptions and to engage in all types of hedging, risk management or income enhancement transactions.

(d) To exercise all rights, powers and privileges of ownership or interest in all securities and repurchase agreements included in the Trust Property, including the right to vote thereon and otherwise act with respect thereto and to do all acts for the preservation, protection, improvement and enhancement in value of all such securities and repurchase agreements.

(e) To acquire (by purchase, lease or otherwise) and to hold, use, maintain, develop and dispose of (by sale or otherwise) any property, real or personal, including cash or foreign currency, and any interest therein.

(f) To borrow money and in this connection issue notes or other evidence of indebtedness; to secure borrowings by mortgaging, pledging or otherwise subjecting as security the Trust Property; and to endorse, guarantee, or undertake the performance of any obligation or engagement of any other Person and to lend Trust Property.

4

(g) To aid by further investment any corporation, company, trust, association or firm, any obligation of or interest in which is included in the Trust Property or in the affairs of which the Trustees have any direct or indirect interest; to do all acts and things designed to protect, preserve, improve or enhance the value of such obligation or interest; and to guarantee or become surety on any or all of the contracts, stocks, bonds, notes, debentures and other obligations of any such corporation, company, trust, association or firm.

(h) To enter into a plan of distribution and any related agreements whereby the Trust may finance directly or indirectly any activity which is primarily intended to result in the distribution and/or servicing of Shares.

(i) To adopt on behalf of the Trust or any Series thereof an alternative purchase plan providing for the issuance of multiple Classes of Shares (as authorized herein at Section 5.11).

(j) In general to carry on any other business in connection with or incidental to any of the foregoing powers, to do everything necessary, suitable or proper for the accomplishment of any purpose or the attainment of any object or the furtherance of any power hereinbefore set forth, either alone or in association with others, and to do every other act or thing incidental or appurtenant to or arising out of or connected with the aforesaid business or purposes, objects or powers.

The foregoing clauses shall be construed both as objects and powers, and the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the general powers of the Trustees.

Notwithstanding any other provision herein, the Trustees shall have full power in their discretion as contemplated in Section 8.5, without any requirement of approval by Shareholders, to invest part or all of the Trust Property (or part or all of the assets of any Series), or to dispose of part or all of the Trust Property (or part or all of the assets of any Series) and invest the proceeds of such disposition, in securities issued by one or more other investment companies registered under the 1940 Act. Any such other investment company may (but need not) be a trust (formed under the laws of any state) which is classified as a partnership or corporation for federal income tax purposes.

The Trustees shall not be limited to investing in obligations maturing before the possible termination of the Trust, nor shall the Trustees be limited by any law limiting the investments which may be made by fiduciaries.

Section 2.3. Legal Title. Legal title to all the Trust Property shall be vested in the Trustees as joint tenants except that the Trustees shall have power to cause legal title to any Trust Property to be held by or in the name of one or more of the Trustees, or in the name of the Trust or any Series of the Trust, or in the name of any other Person as nominee, on such terms as the Trustees may determine, provided that the interest of the Trust therein is deemed appropriately protected. The right, title and interest of the Trustees in the Trust Property and the Property of each Series of the Trust shall vest automatically in each Person who may hereafter become a Trustee. Upon the termination of the term of office, resignation, removal or death of a Trustee he

5

shall automatically cease to have any right, title or interest in any of the Trust Property, and the right, title and interest of such Trustee in the Trust Property shall vest automatically in the remaining Trustees. Such vesting and cessation of title shall be effective whether or not conveyancing documents have been executed and delivered.

Section 2.4. Issuance and Repurchase of Shares. The Trustees shall have the power to issue, sell, repurchase, redeem, retire, cancel, acquire, hold, resell, reissue, dispose of, transfer, and otherwise deal in Shares and, subject to the provisions set forth in Articles VI and VII and Section 5.11 hereof, to apply to any such repurchase, redemption, retirement, cancellation or acquisition of Shares any funds or property of the Trust or of the particular Series with respect to which such Shares are issued, whether capital or surplus or otherwise, to the full extent now or hereafter permitted by the laws of The Commonwealth of Massachusetts governing business corporations.

Section 2.5. Delegation; Committees. The Trustees shall have power, consistent with their continuing exclusive authority over the management of the Trust and the Trust Property, to delegate from time to time to such of their number or to officers, employees or agents of the Trust the doing of such things and the execution of such instruments either in the name of the Trust or any

Series of the Trust or the names of the Trustees or otherwise as the Trustees may deem expedient, to the same extent as such delegation is permitted by the 1940 Act.

Section 2.6. Collection and Payment. The Trustees shall have power to collect all property due to the Trust; to pay all claims, including taxes, against the Trust Property; to prosecute, defend, compromise or abandon any claims relating to the Trust Property; to foreclose any security interest securing any obligations, by virtue of which any property is owed to the Trust; and to enter into releases, agreements and other instruments.

Section 2.7. Expenses. The Trustees shall have the power to incur and pay any expenses which in the opinion of the Trustees are necessary or incidental to carry out any of the purposes of this Declaration, and to pay reasonable compensation from the funds of the Trust to themselves as Trustees. The Trustees shall fix the compensation of all officers, employees and Trustees.

Section 2.8. Manner of Acting; By-laws. Except as otherwise provided herein or in the By-laws, any action to be taken by the Trustees may be taken by a majority of the Trustees present at a meeting of Trustees, including any meeting held by means of a conference telephone circuit or similar communications equipment by means of which all persons participating in the meeting can hear each other, or by written consents of a majority of Trustees then in office. The Trustees may adopt By-laws not inconsistent with this Declaration to provide for the conduct of the business of the Trust and may amend or repeal such By-laws to the extent such power is not reserved to the Shareholders.

Notwithstanding the foregoing provisions of this Section 2.8 and in addition to such provisions or any other provision of this Declaration or of the By-laws, the Trustees may by resolution appoint a committee consisting of less than the whole number of Trustees then in office, which committee may be empowered to act for and bind the Trustees and the Trust, as if the acts of such committee were the acts of all the Trustees then in office, with respect to the institution, prosecution, dismissal, settlement, review or investigation of any action, suit or proceeding which shall be pending or threatened to be brought before any court, administrative agency or other adjudicatory body.

Section 2.9. Miscellaneous Powers. The Trustees shall have the power to: (a) employ or contract with such Persons as the Trustees may deem desirable for the transaction of the business of the Trust or any Series thereof; (b) enter into joint ventures, partnerships and any other combinations or associations; (c) remove Trustees, fill vacancies in, add to or subtract from their number, elect and remove such officers and appoint and terminate such agents or employees as they consider appropriate, and appoint from their own number, and terminate, any one or more committees which may exercise some or all of the power and authority of the Trustees as the Trustees may determine; (d) purchase, and pay for out of Trust Property or the property of the appropriate Series of the Trust, insurance policies insuring the Shareholders, Trustees, officers,

employees, agents, investment advisers, administrators, distributors, selected dealers or independent contractors of the Trust against all claims arising by reason of holding any such position or by reason of any action taken or omitted by any such Person in such capacity, whether or not constituting negligence, or whether or not the Trust would have the power to indemnify such Person against such liability; (e) establish pension, profit-sharing, share purchase, and other retirement, incentive and benefit plans for any Trustees, officers, employees and agents of the Trust; (f) to the extent permitted by law, indemnify any person with whom the Trust or any Series thereof has dealings, including the Investment Adviser, Administrator, Distributor, Transfer Agent and selected dealers, to such extent as the Trustees shall determine; (g) guarantee indebtedness or contractual obligations of others; (h) determine and change the fiscal year and taxable year of the Trust or any Series thereof and the method by which its or their accounts shall be kept; and (i) adopt a seal for the Trust, but the absence of such seal shall not impair the validity of any instrument executed on behalf of the Trust.

Section 2.10. Principal Transactions. Except for transactions not permitted by the 1940 Act or rules and regulations adopted, or orders issued, by the Commission thereunder, the Trustees may, on behalf of the Trust, buy any securities from or sell any securities to, or lend any assets of the Trust or any Series thereof to any Trustee or officer of the Trust or any firm of which any such Trustee or officer is a member acting as principal, or have any such dealings with the Investment Adviser, Distributor or Transfer Agent or with any Interested Person of such Person; and the Trust or a Series thereof may employ any such Person, or firm or company in which such Person is an Interested Person, as broker, legal counsel, registrar, transfer agent, dividend disbursing agent or custodian upon customary terms.

Section 2.11. Litigation. The Trustees shall have the power to engage in and to prosecute, defend, compromise, abandon, or adjust by arbitration, or otherwise, any actions, suits, proceedings, disputes, claims, and demands relating to the Trust, and out of the assets of the Trust or any Series thereof to pay or to satisfy any debts, claims or expenses incurred in connection therewith, including those of litigation, and such power shall include without limitation the power of the Trustees or any appropriate committee thereof, in the exercise of their or its good faith business judgment, to dismiss any action, suit, proceeding, dispute, claim, or demand, derivative or otherwise, brought by any person, including a Shareholder in its own name or the name of the Trust, whether or not the Trust or any of the Trustees may be named individually therein or the subject matter arises by reason of business for or on behalf of the Trust.

Section 2.12. Number of Trustees. The initial Trustees shall be the persons initially signing the Original Declaration. The number of Trustees (other than the initial Trustees) shall be such number as shall be fixed from time to time by vote of a majority of the Trustees, provided, however, that the number of Trustees shall in no event be less than one (1).

Section 2.13. Election and Term. Except for the Trustees named herein or appointed to fill vacancies pursuant to Section 2.15 hereof, the Trustees may succeed themselves and shall be elected by the Shareholders owning of record a plurality of the Shares voting at a meeting of Shareholders on a date fixed by the Trustees. Except in the event of resignations or removals pursuant to Section 2.14 hereof, each Trustee shall hold office until such time as less than a majority of the Trustees holding office has been elected by Shareholders. In such event the Trustees then in office shall call a Shareholders' meeting for the election of Trustees. Except for the foregoing circumstances, the Trustees shall continue to hold office and may appoint successor Trustees.

Section 2.14. Resignation and Removal. Any Trustee may resign his trust (without the need for any prior or subsequent accounting) by an instrument in writing signed by him and delivered to the other Trustees and such resignation shall be effective upon such delivery, or at a later date according to the terms of the instrument. Any of the Trustees may be removed (provided the aggregate number of Trustees after such removal shall not be less than one) with cause, by the action of two-thirds of the remaining Trustees or by action of two-thirds of the outstanding Shares of the Trust (for purposes of determining the circumstances and procedures under which any such removal by the Shareholders may take place, the provisions of Section 16(c) of the 1940 Act (or any successor provisions) shall be applicable to the same extent as if the Trust were subject to the provisions of that Section). Upon the resignation or removal of a Trustee, or his otherwise ceasing to be a Trustee, he shall execute and deliver such documents as the remaining Trustees shall require for the purpose of conveying to the Trust or the remaining Trustees any Trust Property held in the name of the resigning or removed Trustee. Upon the incapacity or death of any Trustee, his legal representative shall execute and deliver on his behalf such documents as the remaining Trustees shall require as provided in the preceding sentence.

Section 2.15. Vacancies. The term of office of a Trustee shall terminate and a vacancy shall occur in the event of his death, retirement, resignation, removal, bankruptcy, adjudicated incompetence or other incapacity to perform the duties of the office of a Trustee. No such vacancy shall operate to annul the Declaration or to revoke any existing agency created pursuant to the terms of the Declaration. In the case of an existing vacancy, including a vacancy existing by reason of an increase in the number of Trustees, subject to the provisions of Section 16(a) of the 1940 Act, the remaining Trustees shall fill such vacancy by the appointment of such other person as they in their discretion shall see fit, made by vote of a majority of the Trustees then in office. Any such appointment shall not become effective, however, until the person named in the vote approving the appointment shall have accepted in writing such appointment and agreed in writing to be bound by the terms of the Declaration. An appointment of a Trustee may be made in anticipation of a vacancy to occur at a later date by reason of retirement, resignation or increase in the number of Trustees, provided that such appointment shall not become effective prior to such retirement, resignation or increase in the number of Trustees. Whenever a vacancy in the number of Trustees shall occur, until such vacancy is filled as provided in this Section 2.15, the Trustees in office, regardless of their

number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by the Declaration. The vote by a majority of the Trustees in office, fixing the number of Trustees shall be conclusive evidence of the existence of such vacancy.

Section 2.16. Delegation of Power to Other Trustees. Any Trustee may, by power of attorney, delegate his power for a period not exceeding six (6) months at any one time to any other Trustee or Trustees; provided that in no case shall fewer than two (2) Trustees personally exercise the powers granted to the Trustees under this Declaration except as herein otherwise expressly provided.

ARTICLE III

CONTRACTS

Section 3.1. Distribution Contract. The Trustees may in their discretion from time to time enter into an exclusive or non-exclusive distribution contract or contracts providing for the sale of the Shares to net the Trust or the applicable Series of the Trust not less than the amount provided for in Section 7.1 of Article VII hereof, whereby the Trustees may either agree to sell the Shares to the other party to the contract or appoint such other party as their sales agent for the Shares, and in either case on such terms and conditions, if any, as may be prescribed in the By-laws, and such further terms and conditions as the Trustees may in their discretion determine not inconsistent with the provisions of this Article III or of the By-laws; and such contract may also provide for the repurchase of the Shares by such other party as agent of the Trustees.

Section 3.2. Advisory or Management Contract. The Trustees may in their discretion from time to time enter into one or more investment advisory or management contracts or, if the Trustees establish multiple Series, separate investment advisory or management contracts with respect to one or more Series whereby the other party or parties to any such contracts shall undertake to furnish the Trust or such Series management, investment advisory, administration, accounting, legal, statistical and research facilities and services, promotional or marketing activities, and such other facilities and services, if any, as the Trustees shall from time to time consider desirable and all upon such terms and conditions as the Trustees may in their discretion determine. Notwithstanding any provisions of the Declaration, the Trustees may authorize the Investment Advisers, or any of them, under any such contracts (subject to such general or specific instructions as the Trustees may from time to time adopt) to effect purchases, sales, loans or exchanges of portfolio securities and other investments of the Trust on behalf of the Trustees or may authorize any officer, employee or Trustee to effect such purchases, sales, loans or exchanges pursuant to recommendations of such Investment Advisers, or any of them (and all without further action by the Trustees). Any such purchases, sales, loans and exchanges shall be deemed to have been authorized by

all of the Trustees. The Trustees may, in their sole discretion, call a meeting of Shareholders in order to submit to a vote of Shareholders at such meeting the approval or continuance of any such investment advisory or management contract. If the Shareholders of any one or more of the Series of the Trust should fail to approve any such investment advisory or management contract, the Investment Adviser may nonetheless serve as Investment Adviser with respect to any Series whose Shareholders approve such contract.

Section 3.3. Administration Agreement. The Trustees may in their discretion from time to time enter into an administration agreement or, if the Trustees establish multiple Series or Classes, separate administration agreements with respect to each Series or Class, whereby the other party to such agreement shall undertake to manage the business affairs of the Trust or of a

9

Series or Class thereof and furnish the Trust or a Series or a Class thereof with office facilities, and shall be responsible for the ordinary clerical, bookkeeping and recordkeeping services at such office facilities, and other facilities and services, if any, and all upon such terms and conditions as the Trustees may in their discretion determine.

Section 3.4. Service Agreement. The Trustees may in their discretion from time to time enter into Service Agreements with respect to one or more Series or Classes thereof whereby the other parties to such Service Agreements will provide administration and/or support services pursuant to administration plans and service plans, and all upon such terms and conditions as the Trustees in their discretion may determine.

Section 3.5. Transfer Agent. The Trustees may in their discretion from time to time enter into a transfer agency and shareholder service contract whereby the other party to such contract shall undertake to furnish transfer agency and shareholder services to the Trust. The contract shall have such terms and conditions as the Trustees may in their discretion determine not inconsistent with the Declaration. Such services may be provided by one or more Persons.

Section 3.6. Custodian. The Trustees may appoint or otherwise engage one or more banks or trust companies, each having an aggregate capital, surplus and undivided profits (as shown in its last published report) of at least two million dollars (\$2,000,000) to serve as Custodian with authority as its agent, but subject to such restrictions, limitations and other requirements, if any, as may be contained in the By-laws of the Trust. The Trustees may also authorize the Custodian to employ one or more sub-custodians, including such foreign banks and securities depositories as meet the requirements of applicable provisions of the 1940 Act, and upon such terms and conditions as may be agreed upon between the Custodian and such sub-custodian, to hold securities and other assets of the Trust and to perform the acts and services of the Custodian, subject to applicable provisions of law and resolutions adopted by the Trustees.

Section 3.7. Affiliations of Trustees or Officers, Etc. The fact that:

(i) any of the Shareholders, Trustees or officers of the Trust or any Series thereof is a shareholder, director, officer, partner, trustee, employee, manager, adviser or distributor of or for any partnership, corporation, trust, association or other organization or of or for any parent or affiliate of any organization, with which a contract of the character described in Sections 3.1, 3.2, 3.3 or 3.4 above or for services as Custodian, Transfer Agent or disbursing agent or for providing accounting, legal and printing services or for related services may have been or may hereafter be made, or that any such organization, or any parent or affiliate thereof, is a Shareholder of or has an interest in the Trust, or that

(ii) any partnership, corporation, trust, association or other organization with which a contract of the character described in Sections 3.1, 3.2, 3.3 or 3.4 above or for services as Custodian, Transfer Agent or disbursing agent or for related services may have been or may hereafter be made also has any one or more of such contracts with one or more other partnerships, corporations, trusts, associations or other organizations, or has other business or interests,

shall not affect the validity of any such contract or disqualify any Shareholder, Trustee or officer of the Trust from voting upon or executing the same or create any liability or accountability to the Trust or its Shareholders.

Section 3.8. Compliance with 1940 Act. Any contract entered into pursuant to Sections 3.1 or 3.2 shall be consistent with and subject to the requirements of Section 15 of the 1940 Act (including any amendment thereof or other applicable Act of Congress hereafter enacted), as modified by any applicable order or orders of the Commission, with respect to its continuance in effect, its termination and the method of authorization and approval of such contract or renewal thereof.

ARTICLE IV

LIMITATIONS OF LIABILITY OF SHAREHOLDERS, TRUSTEES AND OTHERS

Section 4.1. No Personal Liability of Shareholders, Trustees, Etc. No Shareholder shall be subject to any personal liability whatsoever to any Person in connection with Trust Property or the acts, obligations or affairs of the Trust or any Series thereof. No Trustee, officer, employee or agent of the Trust or any Series thereof shall be subject to any personal liability whatsoever to any Person, other than to the Trust or its Shareholders, in connection with Trust Property or the affairs of the Trust, except to the extent arising from bad faith, willful misfeasance, gross negligence or reckless disregard of his

duties with respect to such Person; and all such Persons shall look solely to the Trust Property, or to the Property of one or more specific Series of the Trust if the claim arises from the conduct of such Trustee, officer, employee or agent with respect to only such Series, for satisfaction of claims of any nature arising in connection with the affairs of the Trust. If any Shareholder, Trustee, officer, employee, or agent, as such, of the Trust or any Series thereof, is made a party to any suit or proceeding to enforce any such liability of the Trust or any Series thereof, he shall not, on account thereof, be held to any personal liability. The Trust shall indemnify and hold each Shareholder harmless from and against all claims and liabilities, to which such Shareholder may become subject by reason of his being or having been a Shareholder, and shall reimburse such Shareholder or former Shareholder (or his or her heirs, executors, administrators or other legal representatives or in the case of a corporation or other entity, its corporate or other general successor) out of the Trust Property for all legal and other expenses reasonably incurred by him in connection with any such claim or liability. The indemnification and reimbursement required by the preceding sentence shall be made only out of assets of the one or more Series whose Shares were held by said Shareholder at the time the act or event occurred which gave rise to the claim against or liability of said Shareholder. The rights accruing to a Shareholder under this Section 4.1 shall not impair any other right to which such Shareholder may be lawfully entitled, nor shall anything herein contained restrict the right of the Trust or any Series thereof to indemnify or reimburse a Shareholder in any appropriate situation even though not specifically provided herein.

Section 4.2. Non-Liability of Trustees, Etc. No Trustee, officer, employee or agent of the Trust or any Series thereof shall be liable to the Trust, its Shareholders, or to any Shareholder, Trustee, officer, employee, or agent thereof for any action or failure to act (including without

11

limitation the failure to compel in any way any former or acting Trustee to redress any breach of trust) except for his own bad faith, willful misfeasance, gross negligence or reckless disregard of the duties involved in the conduct of his office.

Section 4.3. Mandatory Indemnification. (a) Subject to the exceptions and limitations contained in paragraph (b) below:

(i) every person who is, or has been, a Trustee, officer, employee or agent of the Trust (including any individual who serves at its request as director, officer, partner, trustee or the like of another organization in which it has any interest as a shareholder, creditor or otherwise) shall be indemnified by the Trust, or by one or more Series thereof if the claim arises from his or her conduct with respect to only such Series, to the fullest extent permitted by law against all liability and against all expenses reasonably incurred or paid by him in connection with any claim, action, suit or proceeding in which he becomes involved as a party or otherwise by virtue of his being or having been a Trustee or officer and

against amounts paid or incurred by him in the settlement thereof;

(ii) the words "claim," "action," "suit," or "proceeding" shall apply to all claims, actions, suits or proceedings (civil, criminal, or other, including appeals), actual or threatened; and the words "liability" and "expenses" shall include, without limitation, attorneys' fees, costs, judgments, amounts paid in settlement, fines, penalties and other liabilities.

(b) No indemnification shall be provided hereunder to a Trustee or officer:

(i) against any liability to the Trust, a Series thereof or the Shareholders by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office;

(ii) with respect to any matter as to which he shall have been finally adjudicated not to have acted in good faith in the reasonable belief that his action was in the best interest of the Trust or a Series thereof;

(iii) in the event of a settlement or other disposition not involving a final adjudication as provided in paragraph (b) (ii) resulting in a payment by a Trustee or officer, unless there has been a determination that such Trustee or officer did not engage in willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office:

(A) by the court or other body approving the settlement or other disposition;

(B) based upon a review of readily available facts (as opposed to a full trial-type inquiry) by (x) vote of a majority of the Non-interested Trustees acting on the matter (provided that a majority of the Non-interested Trustees then in office act on the matter) or (y) written opinion of independent legal counsel; or

12

(C) by a vote of a majority of the Shares outstanding and entitled to vote (excluding Shares owned of record or beneficially by such individual).

(c) The rights of indemnification herein provided may be insured against by policies maintained by the Trust, shall be severable, shall not affect any other rights to which any Trustee or officer may now or hereafter be entitled, shall continue as to a person who has ceased to be such Trustee or officer and shall inure to the benefit of the heirs, executors, administrators and assigns of such a person. Nothing contained herein shall affect any rights to indemnification to which personnel of the Trust or any Series thereof other than Trustees and

officers may be entitled by contract or otherwise under law.

(d) Expenses of preparation and presentation of a defense to any claim, action, suit or proceeding of the character described in paragraph (a) of this Section 4.3 may be advanced by the Trust or a Series thereof prior to final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount if it is ultimately determined that he is not entitled to indemnification under this Section 4.3, provided that either:

(i) such undertaking is secured by a surety bond or some other appropriate security provided by the recipient, or the Trust or Series thereof shall be insured against losses arising out of any such advances; or

(ii) a majority of the Non-interested Trustees acting on the matter (provided that a majority of the Non-interested Trustees act on the matter) or an independent legal counsel in a written opinion shall determine, based upon a review of readily available facts (as opposed to a full trial-type inquiry), that there is reason to believe that the recipient ultimately will be found entitled to indemnification.

As used in this Section 4.3, a "Non-interested Trustee" is one who (i) is not an "Interested Person" of the Trust (including anyone who has been exempted from being an "Interested Person" by any rule, regulation or order of the Commission), and (ii) is not involved in the claim, action, suit or proceeding.

Section 4.4. No Bond Required of Trustees. No Trustee shall be obligated to give any bond or other security for the performance of any of his duties hereunder.

Section 4.5. No Duty of Investigation; Notice in Trust Instruments, Etc. No purchaser, lender, transfer agent or other Person dealing with the Trustees or any officer, employee or agent of the Trust or a Series thereof shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by the Trustees or by said officer, employee or agent or be liable for the application of money or property paid, loaned, or delivered to or on the order of the Trustees or of said officer, employee or agent. Every obligation, contract, instrument, certificate, Share, other security of the Trust or a Series thereof or undertaking, and every other act or thing whatsoever executed in connection with the Trust shall be conclusively presumed to have been executed or done by the executors thereof only in their capacity as Trustees under this Declaration or in their capacity as officers, employees or agents of the Trust or a Series thereof. Every written obligation, contract, instrument, certificate, Share, other security of the Trust or a Series thereof or undertaking made or issued by the Trustees may recite that the same is executed or made by them not individually, but as Trustees under the Declaration, and that the obligations

of the Trust or a Series thereof under any such instrument are not binding upon

any of the Trustees or Shareholders individually, but bind only the Trust Property or the Trust Property of the applicable Series, and may contain any further recital which they may deem appropriate, but the omission of such recital shall not operate to bind the Trustees individually. The Trustees shall at all times maintain insurance for the protection of the Trust Property or the Trust Property of the applicable Series, its Shareholders, Trustees, officers, employees and agents in such amount as the Trustees shall deem adequate to cover possible tort liability, and such other insurance as the Trustees in their sole judgment shall deem advisable.

Section 4.6. Reliance on Experts, Etc. Each Trustee, officer or employee of the Trust or a Series thereof shall, in the performance of his duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Trust or a Series thereof, upon an opinion of counsel, or upon reports made to the Trust or a Series thereof by any of its officers or employees or by the Investment Adviser, the Administrator, the Distributor, Transfer Agent, selected dealers, accountants, appraisers or other experts or consultants selected with reasonable care by the Trustees, officers or employees of the Trust, regardless of whether such counsel or expert may also be a Trustee.

ARTICLE V

SHARES OF BENEFICIAL INTEREST

Section 5.1. Beneficial Interest. The interest of the beneficiaries hereunder shall be divided into transferable Shares of beneficial interest without par value. The number of such Shares of beneficial interest authorized hereunder is unlimited. The Trustees shall have the exclusive authority without the requirement of Shareholder approval to establish and designate one or more Series of shares and one or more Classes thereof as the Trustees deem necessary or desirable. Each Share of any Series shall represent an equal proportionate Share in the assets of that Series with each other Share in that Series. Subject to the provisions of Section 5.11 hereof, the Trustees may also authorize the creation of additional Series of Shares (the proceeds of which may be invested in separate, independently managed portfolios) and additional Classes of Shares within any Series. All Shares issued hereunder including, without limitation, Shares issued in connection with a dividend in Shares or a split in Shares, shall be fully paid and nonassessable.

Section 5.2. Rights of Shareholders. The ownership of the Trust Property of every description and the right to conduct any business hereinbefore described are vested exclusively in the Trustees, and the Shareholders shall have no interest therein other than the beneficial interest conferred by their Shares, and they shall have no right to call for any partition or division of any property, profits, rights or interests of the Trust nor can they be called upon to share or assume any losses of the Trust or suffer an assessment of any kind by virtue of their ownership of Shares. The Shares shall be personal property giving only the rights specifically set forth in this Declaration. The Shares

shall not entitle the holder to preference, preemptive, appraisal, conversion or exchange rights, except as the Trustees may determine with respect to any Series or Class of Shares.

14

Section 5.3. Trust Only. It is the intention of the Trustees to create only the relationship of Trustee and beneficiary between the Trustees and each Shareholder from time to time. It is not the intention of the Trustees to create a general partnership, limited partnership, joint stock association, corporation, bailment or any form of legal relationship other than a trust. Nothing in this Declaration of Trust shall be construed to make the Shareholders, either by themselves or with the Trustees, partners or members of a joint stock association.

Section 5.4. Issuance of Shares. The Trustees in their discretion may, from time to time without a vote of the Shareholders, issue Shares, in addition to the then issued and outstanding Shares and Shares held in the treasury, to such party or parties and for such amount and type of consideration, including cash or property, at such time or times and on such terms as the Trustees may deem best, except that only Shares previously contracted to be sold may be issued during any period when the right of redemption is suspended pursuant to Section 6.9 hereof, and may in such manner acquire other assets (including the acquisition of assets subject to, and in connection with the assumption of, liabilities) and businesses. In connection with any issuance of Shares, the Trustees may issue fractional Shares and Shares held in the treasury. The Trustees may from time to time divide or combine the Shares of the Trust or, if the Shares be divided into Series or Classes, of any Series or any Class thereof of the Trust, into a greater or lesser number without thereby changing the proportionate beneficial interests in the Trust or in the Trust Property allocated or belonging to such Series or Class. Contributions to the Trust or Series thereof may be accepted for, and Shares shall be redeemed as, whole Shares and/or 1/1000ths of a Share or integral multiples thereof.

Section 5.5. Register of Shares. A register shall be kept at the principal office of the Trust or an office of the Transfer Agent which shall contain the names and addresses of the Shareholders and the number of Shares held by them respectively and a record of all transfers thereof. Such register shall be conclusive as to who are the holders of the Shares and who shall be entitled to receive dividends or distributions or otherwise to exercise or enjoy the rights of Shareholders. No Shareholder shall be entitled to receive payment of any dividend or distribution, nor to have notice given to him as provided herein or in the By-laws, until he has given his address to the Transfer Agent or such other officer or agent of the Trustees as shall keep the said register for entry thereon. It is not contemplated that certificates will be issued for the Shares; however, the Trustees, in their discretion, may authorize the issuance of share certificates and promulgate appropriate rules and regulations as to their use.

Section 5.6. Transfer of Shares. Shares shall be transferable on the records of the Trust only by the record holder thereof or by his agent thereunto

duly authorized in writing, upon delivery to the Trustees or the Transfer Agent of a duly executed instrument of transfer, together with such evidence of the genuineness of each such execution and authorization and of other matters as may reasonably be required. Upon such delivery the transfer shall be recorded on the register of the Trust. Until such record is made, the Shareholder of record shall be deemed to be the holder of such Shares for all purposes hereunder and neither the Trustees nor any transfer agent or registrar nor any officer, employee or agent of the Trust shall be affected by any notice of the proposed transfer.

Any person becoming entitled to any Shares in consequence of the death, bankruptcy, or incompetence of any Shareholder, or otherwise by operation of law, shall be recorded on the register of Shares as the holder of such Shares upon production of the proper evidence thereof to

15

the Trustees or the Transfer Agent, but until such record is made, the Shareholder of record shall be deemed to be the holder of such Shares for all purposes hereunder and neither the Trustees nor any Transfer Agent or registrar nor any officer or agent of the Trust shall be affected by any notice of such death, bankruptcy or incompetence, or other operation of law.

Section 5.7. Notices. Any and all notices to which any Shareholder may be entitled and any and all communications shall be deemed duly served or given if mailed, postage prepaid, addressed to any Shareholder of record at his last known address as recorded on the register of the Trust.

Section 5.8. Treasury Shares. Shares held in the treasury shall, until resold pursuant to Section 5.4, not confer any voting rights on the Trustees, nor shall such Shares be entitled to any dividends or other distributions declared with respect to the Shares.

Section 5.9. Voting Powers. The Shareholders shall have power to vote only (i) for the election of Trustees as provided in Section 2.13; (ii) with respect to any investment advisory contract entered into pursuant to Section 3.2; (iii) with respect to termination of the Trust or a Series or Class thereof as provided in Section 8.2; (iv) with respect to any amendment of this Declaration to the limited extent and as provided in Section 8.3; (v) with respect to a merger, consolidation or sale of assets as provided in Section 8.4; (vi) with respect to incorporation of the Trust to the extent and as provided in Section 8.5; (vii) to the same extent as the stockholders of a Massachusetts business corporation as to whether or not a court action, proceeding or claim should or should not be brought or maintained derivatively or as a class action on behalf of the Trust or a Series thereof or the Shareholders of either; (viii) with respect to any plan adopted pursuant to Rule 12b-1 (or any successor rule) under the 1940 Act, and related matters; and (ix) with respect to such additional matters relating to the Trust as may be required by this Declaration, the By-laws or any registration of the Trust as an investment company under the 1940 Act with the Commission (or any successor agency) or as the Trustees may

consider necessary or desirable. As determined by the Trustees without the vote or consent of shareholders, on any matter submitted to a vote of Shareholders either (i) each whole Share shall be entitled to one vote as to any matter on which it is entitled to vote and each fractional Share shall be entitled to a proportionate fractional vote or (ii) each dollar of net asset value (number of Shares owned times net asset value per share of such Series or Class, as applicable) shall be entitled to one vote on any matter on which such Shares are entitled to vote and each fractional dollar amount shall be entitled to a proportionate fractional vote. The Trustees may, in conjunction with the establishment of any further Series or any Classes of Shares, establish conditions under which the several Series or Classes of Shares shall have separate voting rights or no voting rights. There shall be no cumulative voting in the election of Trustees. Until Shares are issued, the Trustees may exercise all rights of Shareholders and may take any action required by law, this Declaration or the By-laws to be taken by Shareholders. The By-laws may include further provisions for Shareholders' votes and meetings and related matters.

Section 5.10. Meetings of Shareholders. No annual or regular meetings of Shareholders are required. Special meetings of the Shareholders, including meetings involving only the holders of Shares of one or more but less than all Series or Classes thereof, may be called at any time by the Chairman of the Board, President, or any Vice-President of the Trust, and shall be called by the President or the Secretary at the request, in writing or by resolution, of a majority of the Trustees, or at the written request of the holder or holders of ten percent (10%) or more of the

16

total number of Outstanding Shares of the Trust entitled to vote at such meeting. Meetings of the Shareholders of any Series shall be called by the President or the Secretary at the written request of the holder or holders of ten percent (10%) or more of the total number of Outstanding Shares of such Series of the Trust entitled to vote at such meeting. Any such request shall state the purpose of the proposed meeting.

Section 5.11. Series or Class Designation. (a) Without limiting the authority of the Trustees set forth in Section 5.1 to establish and designate any further Series or Classes, the Trustees hereby establish the following Series: John Hancock U.S. Government Cash Reserve, which consists of one Class of Shares and John Hancock Money Market Fund, which consists of three Classes of Shares (the "Existing Series").

(b) The Shares of the Existing Series and Class thereof herein established and designated and any Shares of any further Series and Classes thereof that may from time to time be established and designated by the Trustees shall be established and designated, and the variations in the relative rights and preferences as between the different Series shall be fixed and determined, by the Trustees (unless the Trustees otherwise determine with respect to further Series or Classes at the time of establishing and designating the same); provided, that all Shares shall be identical except that there may be variations

so fixed and determined between different Series or Classes thereof as to investment objective, policies and restrictions, purchase price, payment obligations, distribution expenses, right of redemption, special and relative rights as to dividends and on liquidation, conversion rights, exchange rights, and conditions under which the several Series or Classes shall have separate voting rights, all of which are subject to the limitations set forth below. All references to Shares in this Declaration shall be deemed to be Shares of any or all Series or Classes as the context may require.

(c) As to any Existing Series and Classes herein established and designated and any further division of Shares of the Trust into additional Series or Classes, the following provisions shall be applicable:

(i) The number of authorized Shares and the number of Shares of each Series or Class thereof that may be issued shall be unlimited. The Trustees may classify or reclassify any unissued Shares or any Shares previously issued and reacquired of any Series or Class into one or more Series or one or more Classes that may be established and designated from time to time. The Trustees may hold as treasury shares (of the same or some other Series or Class), reissue for such consideration and on such terms as they may determine, or cancel any Shares of any Series or Class reacquired by the Trust at their discretion from time to time.

(ii) All consideration received by the Trust for the issue or sale of Shares of a particular Series or Class, together with all assets in which such consideration is invested or reinvested, all income, earnings, profits, and proceeds thereof, including any proceeds derived from the sale, exchange or liquidation of such assets, and any funds or payments derived from any reinvestment of such proceeds in whatever form the same may be, shall irrevocably belong to that Series for all purposes, subject only to the rights of creditors of such Series and except as may otherwise be required by applicable tax laws, and shall be so recorded upon the books of account of the Trust. In the event that there are any assets, income, earnings, profits, and proceeds thereof, funds, or payments which are not readily identifiable as belonging to any particular Series, the Trustees shall allocate them among any one or more of the Series established and designated

17

from time to time in such manner and on such basis as they, in their sole discretion, deem fair and equitable. Each such allocation by the Trustees shall be conclusive and binding upon the Shareholders of all Series for all purposes. No holder of Shares of any Series shall have any claim on or right to any assets allocated or belonging to any other Series.

(iii) The assets belonging to each particular Series shall be charged with the liabilities of the Trust in respect of that Series or the appropriate Class or Classes thereof and all expenses, costs, charges and reserves attributable to that Series or Class or Classes thereof, and any general

liabilities, expenses, costs, charges or reserves of the Trust which are not readily identifiable as belonging to any particular Series shall be allocated and charged by the Trustees to and among any one or more of the Series established and designated from time to time in such manner and on such basis as the Trustees in their sole discretion deem fair and equitable. Each allocation of liabilities, expenses, costs, charges and reserves by the Trustees shall be conclusive and binding upon the Shareholders of all Series and Classes for all purposes. The Trustees shall have full discretion, to the extent not inconsistent with the 1940 Act, to determine which items are capital; and each such determination and allocation shall be conclusive and binding upon the Shareholders. The assets of a particular Series of the Trust shall under no circumstances be charged with liabilities attributable to any other Series or Class thereof of the Trust. All persons extending credit to, or contracting with or having any claim against a particular Series or Class of the Trust shall look only to the assets of that particular Series for payment of such credit, contract or claim.

(iv) The power of the Trustees to pay dividends and make distributions shall be governed by Section 7.2 of this Declaration. With respect to any Series or Class, dividends and distributions on Shares of a particular Series or Class may be paid with such frequency as the Trustees may determine, which may be daily or otherwise, pursuant to a standing resolution or resolutions adopted only once or with such frequency as the Trustees may determine, to the holders of Shares of that Series or Class, from such of the income and capital gains, accrued or realized, from the assets belonging to that Series, as the Trustees may determine, after providing for actual and accrued liabilities belonging to that Series or Class. All dividends and distributions on Shares of a particular Series or Class shall be distributed pro rata to the Shareholders of that Series or Class in proportion to the number of Shares of that Series or Class held by such Shareholders at the time of record established for the payment of such dividends or distribution.

(v) Each Share of a Series of the Trust shall represent a beneficial interest in the net assets of such Series. Each holder of Shares of a Series or Class thereof shall be entitled to receive his pro rata share of distributions of income and capital gains made with respect to such Series or Class net of expenses. Upon redemption of his Shares or indemnification for liabilities incurred by reason of his being or having been a Shareholder of a Series or Class, such Shareholder shall be paid solely out of the funds and property of such Series of the Trust. Upon liquidation or termination of a Series or Class thereof of the Trust, Shareholders of such Series or Class thereof shall be entitled to receive a pro rata share of the net assets of such Series. A Shareholder of a particular Series of the Trust shall not be entitled to participate in a derivative or class action on behalf of any other Series or the Shareholders of any other Series of the Trust.

(vi) On each matter submitted to a vote of Shareholders, all Shares of all Series and Classes shall vote as a single class; provided, however, that

(1) as to any matter with respect to which a separate vote of any Series or Class is required by the 1940 Act or is required by attributes applicable to any Series or Class or is required by any Rule 12b-1 plan, such

18

requirements as to a separate vote by that Series or Class shall apply, (2) to the extent that a matter referred to in clause (1) above, affects more than one Class or Series and the interests of each such Class or Series in the matter are identical, then, subject to clause (3) below, the Shares of all such affected Classes or Series shall vote as a single Class; (3) as to any matter which does not affect the interests of a particular Series or Class, only the holders of Shares of the one or more affected Series or Classes shall be entitled to vote; and (4) the provisions of the following sentence shall apply. On any matter that pertains to any particular Class of a particular Series or to any Class expenses with respect to any Series which matter may be submitted to a vote of Shareholders, only Shares of the affected Class or that Series, as the case may be, shall be entitled to vote except that: (i) to the extent said matter affects Shares of another Class or Series, such other Shares shall also be entitled to vote, and in such cases Shares of the affected Class, as the case may be, of such Series shall be voted in the aggregate together with such other Shares; and (ii) to the extent that said matter does not affect Shares of a particular Class of such Series, said Shares shall not be entitled to vote (except where otherwise required by law or permitted by the Trustees acting in their sole discretion) even though the matter is submitted to a vote of the Shareholders of any other Class or Series.

(vii) Except as otherwise provided in this Article V, the Trustees shall have the power to determine the designations, preferences, privileges, payment obligations, limitations and rights, including voting and dividend rights, of each Class and Series of Shares. Subject to compliance with the requirements of the 1940 Act, the Trustees shall have the authority to provide that the holders of Shares of any Series or Class shall have the right to convert or exchange said Shares into Shares of one or more Series or Classes of Shares in accordance with such requirements, conditions and procedures as may be established by the Trustees.

(viii) The establishment and designation of any Series or Classes of Shares shall be effective upon the execution by a majority of the then Trustees of an instrument setting forth such establishment and designation and the relative rights and preferences of such Series or Classes, or as otherwise provided in such instrument. At any time that there are no Shares outstanding of any particular Series or Class previously established and designated, the Trustees may by an instrument executed by a majority of their number abolish that Series or Class and the establishment and designation thereof. Each instrument referred to in this section shall have the status of an amendment to this Declaration.

Section 5.12. Assent to Declaration of Trust. Every Shareholder, by virtue

of having become a Shareholder, shall be held to have expressly assented and agreed to the terms hereof and to have become a party hereto.

ARTICLE VI

REDEMPTION AND REPURCHASE OF SHARES

Section 6.1. Redemption of Shares. (a) All Shares of the Trust shall be redeemable, at the redemption price determined in the manner set out in this Declaration. Redeemed or repurchased Shares may be resold by the Trust. The Trust may require any Shareholder to pay a sales charge to the Trust, the underwriter, or any other person designated by the Trustees upon redemption or repurchase of Shares in such amount and upon such conditions as shall be determined from time to time by the Trustees.

19

(b) The Trust shall redeem the Shares of the Trust or any Series or Class thereof at the price determined as hereinafter set forth, upon the appropriately verified written application of the record holder thereof (or upon such other form of request as the Trustees may determine) at such office or agency as may be designated from time to time for that purpose by the Trustees. The Trustees may from time to time specify additional conditions, not inconsistent with the 1940 Act, regarding the redemption of Shares in the Trust's then effective Prospectus.

Section 6.2. Price. Shares shall be redeemed at a price based on their net asset value determined as set forth in Section 7.1 hereof as of such time as the Trustees shall have theretofore prescribed by resolution. In the absence of such resolution, the redemption price of Shares deposited shall be based on the net asset value of such Shares next determined as set forth in Section 7.1 hereof after receipt of such application. The amount of any contingent deferred sales charge or redemption fee payable upon redemption of Shares may be deducted from the proceeds of such redemption.

Section 6.3. Payment. Payment of the redemption price of Shares of the Trust or any Series or Class thereof shall be made in cash or in property to the Shareholder at such time and in the manner, not inconsistent with the 1940 Act or other applicable laws, as may be specified from time to time in the Trust's then effective Prospectus(es), subject to the provisions of Section 6.4 hereof. Notwithstanding the foregoing, the Trustees may withhold from such redemption proceeds any amount arising (i) from a liability of the redeeming Shareholder to the Trust or (ii) in connection with any Federal or state tax withholding requirements.

Section 6.4. Effect of Suspension of Determination of Net Asset Value. If, pursuant to Section 6.9 hereof, the Trustees shall declare a suspension of the determination of net asset value with respect to Shares of the Trust or of any Series or Class thereof, the rights of Shareholders (including those who shall

have applied for redemption pursuant to Section 6.1 hereof but who shall not yet have received payment) to have Shares redeemed and paid for by the Trust or a Series or Class thereof shall be suspended until the termination of such suspension is declared. Any record holder who shall have his redemption right so suspended may, during the period of such suspension, by appropriate written notice of revocation at the office or agency where application was made, revoke any application for redemption not honored and withdraw any Share certificates on deposit. The redemption price of Shares for which redemption applications have not been revoked shall be based on the net asset value of such Shares next determined as set forth in Section 7.1 after the termination of such suspension, and payment shall be made within seven (7) days after the date upon which the application was made plus the period after such application during which the determination of net asset value was suspended.

Section 6.5. Repurchase by Agreement. The Trust may repurchase Shares directly, or through the Distributor or another agent designated for the purpose, by agreement with the owner thereof at a price not exceeding the net asset value per share determined as of the time when the purchase or contract of purchase is made or the net asset value as of any time which may be later determined pursuant to Section 7.1 hereof, provided payment is not made for the Shares prior to the time as of which such net asset value is determined.

20

Section 6.6. Redemption of Shareholder's Interest. The Trustees, in their sole discretion, may cause the Trust to redeem all of the Shares of one or more Series or Class thereof held by any Shareholder if the value of such Shares held by such Shareholder is less than the minimum amount established from time to time by the Trustees.

Section 6.7. Redemption of Shares in Order to Qualify as Regulated Investment Company; Disclosure of Holding. (a) If the Trustees shall, at any time and in good faith, be of the opinion that direct or indirect ownership of Shares or other securities of the Trust has or may become concentrated in any Person to an extent which would disqualify the Trust or any Series of the Trust as a regulated investment company under the Internal Revenue Code of 1986, then the Trustees shall have the power by lot or other means deemed equitable by them (i) to call for redemption by any such Person a number, or principal amount, of Shares or other securities of the Trust or any Series of the Trust sufficient to maintain or bring the direct or indirect ownership of Shares or other securities of the Trust or any Series of the Trust into conformity with the requirements for such qualification and (ii) to refuse to transfer or issue Shares or other securities of the Trust or any Series of the Trust to any Person whose acquisition of the Shares or other securities of the Trust or any Series of the Trust in question would result in such disqualification. The redemption shall be effected at the redemption price and in the manner provided in Section 6.1.

(b) The holders of Shares or other securities of the Trust or any Series of the Trust shall upon demand disclose to the Trustees in writing such information with respect to direct and indirect ownership of Shares or other securities of

the Trust or any Series of the Trust as the Trustees deem necessary to comply with the provisions of the Internal Revenue Code of 1986, as amended, or to comply with the requirements of any other taxing authority.

Section 6.8. Reductions in Number of Outstanding Shares Pursuant to Net Asset Value Formula. The Trust may also reduce the number of outstanding Shares of the Trust or of any Series of the Trust pursuant to the provisions of Section 7.3.

Section 6.9. Suspension of Right of Redemption. The Trust may declare a suspension of the right of redemption or postpone the date of payment or redemption for the whole or any part of any period (i) during which the New York Stock Exchange is closed other than customary weekend and holiday closings, (ii) during which trading on the New York Stock Exchange is restricted, (iii) during which an emergency exists as a result of which disposal by the Trust or a Series thereof of securities owned by it is not reasonably practicable or it is not reasonably practicable for the Trust or a Series thereof fairly to determine the value of its net assets, or (iv) during any other period when the Commission may for the protection of Shareholders of the Trust by order permit suspension of the right of redemption or postponement of the date of payment or redemption; provided that applicable rules and regulations of the Commission shall govern as to whether the conditions prescribed in clauses (ii), (iii), or (iv) exist. Such suspension shall take effect at such time as the Trust shall specify but not later than the close of business on the business day next following the declaration of suspension, and thereafter there shall be no right of redemption or payment on redemption until the Trust shall declare the suspension at an end, except that the suspension shall terminate in any event on the first day on which said stock exchange shall have reopened or the period specified in (ii) or (iii) shall have expired (as to which

21

in the absence of an official ruling by the Commission, the determination of the Trust shall be conclusive). In the case of a suspension of the right of redemption, a Shareholder may either withdraw his request for redemption or receive payment based on the net asset value existing after the termination of the suspension.

ARTICLE VII

DETERMINATION OF NET ASSET VALUE, NET INCOME AND DISTRIBUTIONS

Section 7.1. Net Asset Value. The net asset value of each outstanding Share of the Trust or of each Series or Class thereof shall be determined on such days and at such time or times as the Trustees may determine. The value of the assets of the Trust or any Series thereof may be determined (i) by a pricing service which utilizes electronic pricing techniques based on general institutional trading, (ii) by appraisal of the securities owned by the Trust or any Series of

the Trust, (iii) in certain cases, at amortized cost, or (iv) by such other method as shall be deemed to reflect the fair value thereof, determined in good faith by or under the direction of the Trustees. From the total value of said assets, there shall be deducted all indebtedness, interest, taxes, payable or accrued, including estimated taxes on unrealized book profits, expenses and management charges accrued to the appraisal date, net income determined and declared as a distribution and all other items in the nature of liabilities which shall be deemed appropriate, as incurred by or allocated to the Trust or any Series or Class of the Trust. The resulting amount which shall represent the total net assets of the Trust or Series or Class thereof shall be divided by the number of Shares of the Trust or Series or Class thereof outstanding at the time and the quotient so obtained shall be deemed to be the net asset value of the Shares of the Trust or Series or Class thereof. The net asset value of the Shares shall be determined at least once on each business day, as of the close of regular trading on the New York Stock Exchange or as of such other time or times as the Trustees shall determine. The power and duty to make the daily calculations may be delegated by the Trustees to the Investment Adviser, the Administrator, the Custodian, the Transfer Agent or such other Person as the Trustees by resolution may determine. The Trustees may suspend the daily determination of net asset value to the extent permitted by the 1940 Act. It shall not be a violation of any provision of this Declaration if Shares are sold, redeemed or repurchased by the Trust at a price other than one based on net asset value if the net asset value is affected by one or more errors inadvertently made in the pricing of portfolio securities or in accruing income, expenses or liabilities.

Section 7.2. Distributions to Shareholders. (a) The Trustees shall from time to time distribute ratably among the Shareholders of the Trust or of a Series or Class thereof such proportion of the net profits, surplus (including paid-in surplus), capital, or assets of the Trust or such Series held by the Trustees as they may deem proper. Such distributions may be made in cash or property (including without limitation any type of obligations of the Trust or Series or Class or any assets thereof), and the Trustees may distribute ratably among the Shareholders of the Trust or Series or Class thereof additional Shares of the Trust or Series or Class thereof issuable hereunder in such manner, at such times, and on such terms as the Trustees may deem proper. Such distributions may be among the Shareholders of the Trust or Series or Class thereof at the time of declaring a distribution or among the Shareholders of the Trust or Series or Class thereof at such other date or time or dates or times as the Trustees shall determine. The Trustees may in their discretion determine that, solely for the purposes of such distributions, Outstanding

Shares shall exclude Shares for which orders have been placed subsequent to a specified time on the date the distribution is declared or on the next preceding day if the distribution is declared as of a day on which Boston banks are not open for business, all as described in the then effective Prospectus under the Securities Act of 1933. The Trustees may always retain from the net profits such amount as they may deem necessary to pay the debts or expenses of the Trust or a

Series or Class thereof or to meet obligations of the Trust or a Series or Class thereof, or as they may deem desirable to use in the conduct of its affairs or to retain for future requirements or extensions of the business. The Trustees may adopt and offer to Shareholders such dividend reinvestment plans, cash dividend payout plans or related plans as the Trustees shall deem appropriate. The Trustees may in their discretion determine that an account administration fee or other similar charge may be deducted directly from the income and other distributions paid on Shares to a Shareholder's account in each Series or Class.

(b) Inasmuch as the computation of net income and gains for Federal income tax purposes may vary from the computation thereof on the books, the above provisions shall be interpreted to give the Trustees the power in their discretion to distribute for any fiscal year as ordinary dividends and as capital gains distributions, respectively, additional amounts sufficient to enable the Trust or a Series or Class thereof to avoid or reduce liability for taxes.

Section 7.3. Determination of Net Income; Constant Net Asset Value; Reduction of Outstanding Shares. Subject to Section 5.11 hereof, the net income of the Series and Classes thereof of the Trust shall be determined in such manner as the Trustees shall provide by resolution. Expenses of the Trust or of a Series or Class thereof, including the advisory or management fee, shall be accrued each day. Each Class shall bear only expenses relating to its Shares and an allocable share of Series expenses in accordance with such policies as may be established by the Trustees from time to time and as are not inconsistent with the provisions of this Declaration or of any applicable document filed by the Trust with the Commission or of the Internal Revenue Code of 1986, as amended. Such net income may be determined by or under the direction of the Trustees as of the close of regular trading on the New York Stock Exchange on each day on which such market is open or as of such other time or times as the Trustees shall determine, and, except as provided herein, all the net income of any Series or Class, as so determined, may be declared as a dividend on the Outstanding Shares of such Series or Class. If, for any reason, the net income of any Series or Class determined at any time is a negative amount, or for any other reason, the Trustees shall have the power with respect to such Series or Class (i) to offset each Shareholder's pro rata share of such negative amount from the accrued dividend account of such Shareholder, or (ii) to reduce the number of Outstanding Shares of such Series or Class by reducing the number of Shares in the account of such Shareholder by that number of full and fractional Shares which represents the amount of such excess negative net income, or (iii) to cause to be recorded on the books of the Trust an asset account in the amount of such negative net income, which account may be reduced by the amount, provided that the same shall thereupon become the property of the Trust with respect to such Series or Class and shall not be paid to any Shareholder, of dividends declared thereafter upon the Outstanding Shares of such Series or Class on the day such negative net income is experienced, until such asset account is reduced to zero. The Trustees shall have full discretion to determine whether any cash or property received shall be treated as income or as principal and whether any item of expense shall be charged to the income or the principal account, and their determination made in good faith shall be conclusive upon the Shareholders. In the case of stock dividends received, the Trustees shall have

full discretion to determine, in the light of the particular circumstances, how much if any of the value thereof shall be treated as income, the balance, if any, to be treated as principal.

Section 7.4. Power to Modify Foregoing Procedures. Notwithstanding any of the foregoing provisions of this Article VII, but subject to Section 5.11 hereof, the Trustees may prescribe, in their absolute discretion, such other bases and times for determining the per Share net asset value of the Shares of the Trust or a Series or Class thereof or net income of the Trust or a Series or Class thereof, or the declaration and payment of dividends and distributions as they may deem necessary or desirable. Without limiting the generality of the foregoing, the Trustees may establish several Series or Classes of Shares in accordance with Section 5.11, and declare dividends thereon in accordance with Section 5.11(d) (iv).

ARTICLE VIII

DURATION; TERMINATION OF TRUST OR A SERIES OR CLASS; AMENDMENT; MERGERS, ETC.

Section 8.1. Duration. The Trust shall continue without limitation of time but subject to the provisions of this Article VIII.

Section 8.2. Termination of the Trust or a Series or a Class. The Trust or any Series or Class thereof may be terminated by (i) the affirmative vote of the holders of not less than two-thirds of the Outstanding Shares entitled to vote and present in person or by proxy at any meeting of Shareholders of the Trust or the appropriate Series or Class thereof, (ii) by an instrument or instruments in writing without a meeting, consented to by the holders of two-thirds of the Outstanding Shares of the Trust or a Series or Class thereof; provided, however, that, if such termination as described in clauses (i) and (ii) is recommended by the Trustees, the vote or written consent of the holders of a majority of the Outstanding Shares of the Trust or a Series or Class thereof entitled to vote shall be sufficient authorization, or (iii) notice to Shareholders by means of an instrument in writing signed by a majority of the Trustees, stating that a majority of the Trustees has determined that the continuation of the Trust or a Series or a Class thereof is not in the best interest of such Series or a Class, the Trust or their respective shareholders as a result of factors or events adversely affecting the ability of such Series or a Class or the Trust to conduct its business and operations in an economically viable manner. Such factors and events may include (but are not limited to) the inability of a Series or Class or the Trust to maintain its assets at an appropriate size, changes in laws or regulations governing the Series or Class or the Trust or affecting assets of the type in which such Series or Class or the Trust invests or economic developments or trends having a significant adverse impact on the business or operations of such Series or Class or the Trust. Upon the termination of the Trust or the Series or Class,

(i) The Trust, Series or Class shall carry on no business except for the purpose of winding up its affairs.

(ii) The Trustees shall proceed to wind up the affairs of the Trust, Series or Class and all of the powers of the Trustees under this Declaration shall continue until the affairs of the Trust, Series or Class shall have been wound up, including the power to fulfill or discharge the contracts of the Trust, Series or Class, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Trust Property or Trust Property allocated or belonging to such Series or Class to one or more persons at public or private sale for consideration which may consist in whole or in

24

part of cash, securities or other property of any kind, discharge or pay its liabilities, and do all other acts appropriate to liquidate its business; provided that any sale, conveyance, assignment, exchange, transfer or other disposition of all or substantially all the Trust Property or Trust Property allocated or belonging to such Series or Class that requires Shareholder approval in accordance with Section 8.4 hereof shall receive the approval so required.

(iii) After paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining Trust Property or the remaining property of the terminated Series or Class, in cash or in kind or partly each, among the Shareholders of the Trust or the Series or Class according to their respective rights.

(b) After termination of the Trust, Series or Class and distribution to the Shareholders as herein provided, a majority of the Trustees shall execute and lodge among the records of the Trust and file with the Office of the Secretary of The Commonwealth of Massachusetts an instrument in writing setting forth the fact of such termination, and the Trustees shall thereupon be discharged from all further liabilities and duties with respect to the Trust or the terminated Series or Class, and the rights and interests of all Shareholders of the Trust or the terminated Series or Class shall thereupon cease.

Section 8.3. Amendment Procedure. (a) This Declaration may be amended by a vote of the holders of a majority of the Shares outstanding and entitled to vote or by any instrument in writing, without a meeting, signed by a majority of the Trustees and consented to by the holders of a majority of the Shares outstanding and entitled to vote.

(b) This Declaration may be amended by a vote of a majority of Trustees, without approval or consent of the Shareholders, except that no amendment can be made by the Trustees to impair any voting or other rights of shareholders

prescribed by Federal or state law. Without limiting the foregoing, the Trustees may amend this Declaration without the approval or consent of Shareholders (i) to change the name of the Trust or any Series, (ii) to add to their duties or obligations or surrender any rights or powers granted to them herein; (iii) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein or to make any other provisions with respect to matters or questions arising under this Declaration which will not be inconsistent with the provisions of this Declaration; and (iv) to eliminate or modify any provision of this Declaration which (a) incorporates, memorializes or sets forth an existing requirement imposed by or under any Federal or state statute or any rule, regulation or interpretation thereof or thereunder or (b) any rule, regulation, interpretation or guideline of any Federal or state agency, now or hereafter in effect, including without limitation, requirements set forth in the 1940 Act and the rules and regulations thereunder (and interpretations thereof), to the extent any change in applicable law liberalizes, eliminates or modifies any such requirements, but the Trustees shall not be liable for failure to do so.

(c) The Trustees may also amend this Declaration without the approval or consent of Shareholders if they deem it necessary to conform this Declaration to the requirements of applicable Federal or state laws or regulations or the requirements of the regulated investment

25

company provisions of the Internal Revenue Code of 1986, as amended, or if requested or required to do so by any Federal agency or by a state Blue Sky commissioner or similar official, but the Trustees shall not be liable for failing so to do.

(d) Nothing contained in this Declaration shall permit the amendment of this Declaration to impair the exemption from personal liability of the Shareholders, Trustees, officers, employees and agents of the Trust or to permit assessments upon Shareholders.

(e) A certificate signed by a majority of the Trustees setting forth an amendment and reciting that it was duly adopted by the Trustees or by the Shareholders as aforesaid or a copy of the Declaration, as amended, and executed by a majority of the Trustees, shall be conclusive evidence of such amendment when lodged among the records of the Trust.

Section 8.4. Merger, Consolidation and Sale of Assets. The Trust or any Series may merge or consolidate into any other corporation, association, trust or other organization or may sell, lease or exchange all or substantially all of the Trust Property or Trust Property allocated or belonging to such Series, including its good will, upon such terms and conditions and for such consideration when and as authorized at any meeting of Shareholders called for the purpose by the affirmative vote of the holders of two-thirds of the Shares of the Trust or such Series outstanding and entitled to vote and present in person or by proxy at a meeting of Shareholders, or by an instrument or

instruments in writing without a meeting, consented to by the holders of two-thirds of the Shares of the Trust or such Series; provided, however, that, if such merger, consolidation, sale, lease or exchange is recommended by the Trustees, the vote or written consent of the holders of a majority of the Outstanding Shares of the Trust or such Series entitled to vote shall be sufficient authorization; and any such merger, consolidation, sale, lease or exchange shall be deemed for all purposes to have been accomplished under and pursuant to Massachusetts law.

Section 8.5. Incorporation. The Trustees may cause to be organized or assist in organizing a corporation or corporations under the laws of any jurisdiction or any other trust, partnership, association or other organization to take over all or any portion of the Trust Property or the Trust Property allocated or belonging to such Series or to carry on any business in which the Trust shall directly or indirectly have any interest, and to sell, convey and transfer all or any portion of the Trust Property or the Trust Property allocated or belonging to such Series to any such corporation, trust, association or organization in exchange for the shares or securities thereof or otherwise, and to lend money to, subscribe for the shares or securities of, and enter into any contracts with any such corporation, trust, partnership, association or organization, or any corporation, partnership, trust, association or organization in which the Trust or such Series holds or is about to acquire shares or any other interest. The Trustees may also cause a merger or consolidation between the Trust or any successor thereto and any such corporation, trust, partnership, association or other organization if and to the extent permitted by law, as provided under the law then in effect. Nothing contained herein shall be construed as requiring approval of Shareholders for the Trustees to organize or assist in organizing one or more corporations, trusts, partnerships, associations or other organizations and selling, conveying or transferring all or a portion of the Trust Property to such organization or entities.

26

ARTICLE IX

REPORTS TO SHAREHOLDERS

The Trustees shall at least semi-annually submit to the Shareholders of each Series a written financial report of the transactions of the Trust and Series thereof, including financial statements which shall at least annually be certified by independent public accountants.

ARTICLE X

MISCELLANEOUS

Section 10.1. Execution and Filing. This Declaration and any amendment hereto shall be filed in the office of the Secretary of The Commonwealth of

Massachusetts and in such other places as may be required under the laws of Massachusetts and may also be filed or recorded in such other places as the Trustees deem appropriate. Each amendment so filed shall be accompanied by a certificate signed and acknowledged by a Trustee stating that such action was duly taken in a manner provided herein, and unless such amendment or such certificate sets forth some later time for the effectiveness of such amendment, such amendment shall be effective upon its execution. A restated Declaration, integrating into a single instrument all of the provisions of the Declaration which are then in effect and operative, may be executed from time to time by a majority of the Trustees and filed with the Secretary of The Commonwealth of Massachusetts. A restated Declaration shall, upon execution, be conclusive evidence of all amendments contained therein and may thereafter be referred to in lieu of the original Declaration and the various amendments thereto.

Section 10.2. Governing Law. This Declaration is executed by the Trustees and delivered in The Commonwealth of Massachusetts and with reference to the laws thereof, and the rights of all parties and the validity and construction of every provision hereof shall be subject to and construed according to the laws of said Commonwealth.

Section 10.3. Counterparts. This Declaration may be simultaneously executed in several counterparts, each of which shall be deemed to be an original, and such counterparts, together, shall constitute one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

Section 10.4. Reliance by Third Parties. Any certificate executed by an individual who, according to the records of the Trust appears to be a Trustee hereunder, certifying (a) the number or identity of Trustees or Shareholders, (b) the due authorization of the execution of any instrument or writing, (c) the form of any vote passed at a meeting of Trustees or Shareholders, (d) the fact that the number of Trustees or Shareholders present at any meeting or executing any written instrument satisfies the requirements of this Declaration, (e) the form of any By-laws adopted by or the identity of any officers elected by the Trustees, or (f) the existence of any fact or facts which in any manner relate to the affairs of the Trust, shall be conclusive evidence as to the matters so certified in favor of any Person dealing with the Trustees and their successors.

27

Section 10.5. Provisions in Conflict with Law or Regulations. (a) The provisions of this Declaration are severable, and if the Trustees shall determine, with the advice of counsel, that any of such provisions is in conflict with the 1940 Act, the regulated investment company provisions of the Internal Revenue Code of 1986 or with other applicable laws and regulations, the conflicting provision shall be deemed never to have constituted a part of this Declaration; provided, however, that such determination shall not affect any of the remaining provisions of this Declaration or render invalid or improper any action taken or omitted prior to such determination.

(b) If any provision of this Declaration shall be held invalid or

unenforceable in any jurisdiction, such invalidity or unenforceability shall attach only to such provision in such jurisdiction and shall not in any manner affect such provision in any other jurisdiction or any other provision of this Declaration in any jurisdiction.

IN WITNESS WHEREOF, the undersigned have executed this instrument as of the 1st of July, 1996.

/s/ Edward J. Boudreau, Jr.

Edward J. Boudreau, Jr.
as Trustee and not individually,
34 Swan Road
Winchester, Massachusetts 01890

/s/ James F. Carlin

James F. Carlin
as Trustee and not individually,
619 Washington Street
Wellesley, Massachusetts 02181

/s/ William H. Cunningham

William H. Cunningham
as Trustee and not individually,
1909 Hill Oaks Court
Austin, Texas 78703

/s/ Charles F. Fretz

Charles F. Fretz
as Trustee and not individually,
Clothier Springs Road
Malvern, Pennsylvania 19355

28

/s/ Harold R. Hiser, Jr.

Harold R. Hiser, Jr.

as Trustee and not individually,
123 Highland Avenue
Short Hill, New Jersey 07078

/s/ Anne C. Hodsdon

Anne C. Hodsdon
as Trustee and not individually,
135 Woodland Road
Hampton, New Hampshire 03842

/s/ Charles L. Ladner

Charles L. Ladner
as Trustee and not individually,
182 Beaumont Road
Devon, Pennsylvania 19333

/s/ Leo E. Linbeck, Jr.

Leo E. Linbeck, Jr.
as Trustee and not individually,
3404 Chevy Chase
Houston, Texas 77027

/s/ Patricia P. McCarter

Patricia P. McCarter
as Trustee and not individually,
1230 Brentford Road
Malvern, Pennsylvania 19355

/s/ Steven R. Pruchansky

Steven R. Pruchansky
as Trustee and not individually,
6920 Daniels Road
Naples, Florida 33999

/s/ Richard S. Scipione

Richard S. Scipione
as Trustee and not individually,
4 Sentinel Road
Hingham, Massachusetts 02043

/s/ Norman H. Smith

Norman H. Smith
as Trustee and not individually,
243 Mount Oriole Lane
Linden, Virginia 22642

/s/ John P. Toolan

John P. Toolan
as Trustee and not individually,
13 Chadwell Place
Morristown, New Jersey 07960

30

THE COMMONWEALTH OF MASSACHUSETTS

SUFFOLK COUNTY, MASSACHUSETTS

July 1, 1996

Then personally appeared the above-named persons, Edward J. Boudreau, Jr.,

James F. Carlin, William H. Cunningham, Charles F. Fretz, Harold R. Hiser, Jr., Anne C. Hodsdon, Charles L. Ladner, Leo E. Linbeck, Jr., Patricia P. McCarter, Steven R. Pruchansky, Richard S. Scipione, Norman H. Smith, and John P. Toolan, who acknowledged the foregoing instrument to be his free act and deed.

Before me,

/s/ Anne Marie White

Anne Marie White
Notary Public

My commission expires: 10/20/00

August 26, 1996

John Hancock Current Interest
101 Huntington Avenue
Boston, MA 02199

RE: Rule 24e-2 Notice for John Hancock Current Interest
on behalf of John Hancock U.S. Government Cash Reserve
File Nos. 2-50931; 811-2485 (0000026262)

Ladies and Gentlemen:

In connection with the filing of Amendment No. 29 pursuant to Rule 24e-2 under the Investment Company Act of 1940, as amended, registering by Post-Effective Amendment No. 51 under the Securities Act of 1933, as amended, 290,000 shares of John Hancock Current Interest (the "Trust") sold in reliance upon Rule 24e-2 during the fiscal year ending May 31, 1996, it is the opinion of the undersigned that such shares will be legally issued, fully paid and nonassessable.

In connection with this opinion it should be noted that the Fund is an entity of the type generally known as a "Massachusetts business trust." Under Massachusetts law, shareholders of a Massachusetts business trust may be held personally liable for the obligations of the Fund. However, the Fund's Declaration of Trust disclaims shareholder liability for obligations of the Fund and indemnifies any shareholder of the Fund, with this indemnification to be paid solely out of the assets of the Fund. Therefore, the shareholder's risk is limited to circumstances in which the assets of the Fund are insufficient to meet the obligations asserted against Fund assets.

Sincerely,

/s/ Alfred P. Ouellette

Alfred P. Ouellette
Assistant Secretary
Member of Massachusetts Bar

CONSENT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

We consent to the references to our firm under the captions "The Fund's Financial Highlights" in the Prospectus and "Independent Auditors" in the Statement of Additional Information and to the incorporation by reference in Post-Effective Amendment No. 51 to Registration Statement (Form N-1A No. 2-50931) of our report dated July 3, 1996 on the financial statements and financial highlights of John Hancock U.S. Government Cash Reserve, the portfolio of John Hancock Current Interest.

/s/ ERNST & YOUNG LLP
ERNST & YOUNG LLP

Boston, Massachusetts
August 22, 1996

JOHN HANCOCK US GOVERNMENT CASH RESERVE FUND

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Date	DAILY			7 DAYS			Days			
	Amortized Rate	Income Rate	Amortized Yield	Amortized Rate	Pure Rate	Amortized Yield	Pure Yield	Compound Yield	To Mat.	7 Days Avg.
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5/4/96	0.000135290	0.000135290	4.9381%	0.0009529610	0.0009529610	4.9690%	4.9690%	5.0921%	44.25	53.35
5/5/96	0.000135290	0.000135290	4.9381%	0.0009501810	0.0009501810	4.9545%	4.9545%	5.0768%	43.25	51.29
5/6/96	0.000135802	0.000135802	4.9568%	0.0009513210	0.0009513210	4.9605%	4.9605%	5.0831%	47.19	49.67
5/7/96	0.000135811	0.000135811	4.9571%	0.0009494320	0.0009494320	4.9506%	4.9506%	5.0727%	46.63	48.17
5/8/96	0.000137745	0.000137745	5.0277%	0.0009513540	0.0009513540	4.9606%	4.9606%	5.0833%	41.79	46.24
5/9/96	0.000135967	0.000135967	4.9628%	0.0009511950	0.0009511950	4.9598%	4.9598%	5.0824%	40.39	44.11
5/10/96	0.000134724	0.000134724	4.9174%	0.0009506290	0.0009506290	4.9569%	4.9569%	5.0793%	40.48	43.43
5/11/96	0.000134724	0.000134724	4.9174%	0.0009500630	0.0009500630	4.9539%	4.9539%	5.0762%	39.48	42.74
5/12/96	0.000134723	0.000134723	4.9174%	0.0009494960	0.0009494960	4.9509%	4.9509%	5.0731%	38.48	42.06
5/13/96	0.000135028	0.000135028	4.9285%	0.0009487220	0.0009487220	4.9469%	4.9469%	5.0688%	58.02	43.61
5/14/96	0.000135664	0.000135664	4.9517%	0.0009485750	0.0009485750	4.9461%	4.9461%	5.0680%	57.84	45.21
5/15/96	0.000138200	0.000138200	5.0443%	0.0009490300	0.0009490300	4.9485%	4.9485%	5.0705%	69.60	49.18
5/16/96	0.000135532	0.000135532	4.9469%	0.0009485950	0.0009485950	4.9462%	4.9462%	5.0682%	63.90	52.54
5/17/96	0.000134446	0.000134446	4.9073%	0.0009483170	0.0009483170	4.9448%	4.9448%	5.0666%	64.15	55.92
5/18/96	0.000134446	0.000134446	4.9073%	0.0009480390	0.0009480390	4.9433%	4.9433%	5.0651%	63.15	59.31
5/19/96	0.000134445	0.000134445	4.9072%	0.0009477610	0.0009477610	4.9419%	4.9419%	5.0636%	62.15	62.69
5/20/96	0.000134654	0.000134654	4.9149%	0.0009473870	0.0009473870	4.9399%	4.9399%	5.0615%	64.34	63.59
5/21/96	0.000133610	0.000133610	4.8768%	0.0009453330	0.0009453330	4.9292%	4.9292%	5.0503%	65.99	64.75
5/22/96	0.000137866	0.000137866	5.0321%	0.0009449990	0.0009449990	4.9275%	4.9275%	5.0485%	60.87	63.51
5/23/96	0.000133902	0.000133902	4.8874%	0.0009433690	0.0009433690	4.9190%	4.9190%	5.0396%	62.26	63.27
5/24/96	0.000136447	0.000136447	4.9803%	0.0009453700	0.0009453700	4.9294%	4.9294%	5.0505%	61.42	62.88
5/25/96	0.000136446	0.000136446	4.9803%	0.0009473700	0.0009473700	4.9399%	4.9399%	5.0614%	60.42	62.49
5/26/96	0.000136446	0.000136446	4.9803%	0.0009493710	0.0009493710	4.9503%	4.9503%	5.0724%	59.42	62.10
5/27/96	0.000136446	0.000136446	4.9803%	0.0009511630	0.0009511630	4.9596%	4.9596%	5.0822%	58.42	61.26
5/28/96	0.000138109	0.000138109	5.0410%	0.0009556620	0.0009556620	4.9831%	4.9831%	5.1068%	60.09	60.41
5/29/96	0.000134473	0.000134473	4.9083%	0.0009522690	0.0009522690	4.9654%	4.9654%	5.0883%	49.28	58.76
5/30/96	0.000134804	0.000134804	4.9203%	0.0009531710	0.0009531710	4.9701%	4.9701%	5.0932%	42.04	55.87
5/31/96	0.000136129	0.000136129	4.9687%	0.0009528530	0.0009528530	4.9684%	4.9684%	5.0915%	61.10	55.82

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