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JOHN HANCOCK
GROWTH AND
INCOME FUND

CLASS A AND CLASS B SHARES
PROSPECTUS

MAY 15, 1995

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This Prospectus sets forth the information about John Hancock Growth and Income Fund (the "Fund"), a diversified series of John Hancock Investment Trust (the "Trust"), that you should know before investing. Please read and retain it for future reference.

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 May 15, 1995 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 (1-800-554-6713 TDD).

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.

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.

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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 August 31, 1994 adjusted to reflect current sales charges. Actual fees and expenses in the future of Class A and Class B shares may be greater or less than those indicated.

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	CLASS A SHARES	CLASS B SHARES
	-----	-----
<S>	<C>	<C>
SHAREHOLDER TRANSACTION EXPENSES		
Maximum sales charge imposed on purchases (as a percentage of offering price).....	5.00%	None
Maximum sales charge imposed on reinvested dividends.....	None	None
Maximum deferred sales charge.....	None*	5.00%
Redemption fee+.....	None	None
Exchange fee.....	None	None
ANNUAL FUND OPERATING EXPENSES (as a percentage of average net assets)		
Management fee.....	0.625%	0.625%
12b-1 fee**.....	0.250%	1.000%
Other expenses***.....	0.435%	0.435%
Total Fund operating expenses.....	1.300%	2.000%

<FN>

* No sales charge is payable at the time of purchase on investments of \$1 million or more, but for these investments a contingent deferred sales charge may be imposed, as described below under the caption "Share Price," in the event of certain redemption transactions within one year of purchase.

** The amount of the 12b-1 fee used to cover service expenses will be up to 0.25% of the Fund's average net assets, and the remaining portion will be used to cover distribution expenses.

*** Other Expenses include transfer agent, legal, audit, custody and other expenses.

+ Redemption by wire fee (currently \$4.00) not included.

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EXAMPLE: 1 YEAR 3 YEARS 5 YEARS 10 YEARS

	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				
Class A Shares.....	\$ 63	\$89	\$ 118	\$200
Class B Shares				
-- Assuming complete redemption at end of period.....	\$ 71	\$95	\$ 131	\$220
-- Assuming no redemption.....	\$ 21	\$65	\$ 111	\$220

</TABLE>

(This example should not be considered a representation of past or future expenses. Actual expenses may be greater or lesser than those shown.)

The Fund's payment of a distribution fee may result in a long-term shareholder indirectly paying more than the economic equivalent of the maximum front-end sales charge permitted under the National Association of Securities Dealers, Inc.'s Rules of Fair Practice.

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."

<TABLE>

THE FUND'S FINANCIAL HIGHLIGHTS

The information in the following table of financial highlights for each of the ten years in the period ended August 31, 1994 has been audited by Ernst & Young LLP, the Fund's independent auditors, whose unqualified report is included in the Statement of Additional Information. The financial highlights for the six-month period ended February 28, 1995 are unaudited. Further information about the performance of the Fund is contained in the Fund's Annual and Semi-Annual Reports to shareholders which 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 class of shares outstanding throughout each period is as follows:

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CLASS A SHARES

	YEAR ENDED AUGUST 31,										
	PERIOD ENDED FEBRUARY 28, 1995 (UNAUDITED) (1)	1994 (2)	1993 (2)	1992 (2)	1991	1990	1989	1988	1987	1986	1985
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of year....	\$ 11.42	\$ 12.08	\$ 12.43	\$ 11.77	\$ 9.87	\$ 10.19	\$ 8.83	\$ 12.04	\$ 11.11	\$ 10.42	\$ 9.11
INCOME FROM INVESTMENT OPERATIONS:											
Net Investment income..	0.11	0.32	0.40	0.32	0.20	0.20	0.55	0.50	0.42	0.35	0.50
Net realized and											

unrealized gain (loss) on investments.....	(0.02)	(0.61)	1.12	0.89	2.07	(0.18)	1.42	(1.73)	1.77	1.48	1.45
Total from Investment Operations.....	0.09	(0.29)	1.52	1.21	2.27	0.02	1.97	(1.23)	2.19	1.83	1.95
LESS DISTRIBUTIONS:											
Dividends from net investment income....	(0.08)	(0.37)	(0.42)	(0.25)	(0.19)	(0.27)	(0.61)	(0.49)	(0.38)	(0.36)	(0.57)
Distributions from realized gains.....	--	--	(1.45)	(0.30)	(0.18)	(0.07)	--	(1.49)	(0.88)	(0.78)	(0.07)
Total Distributions....	(0.08)	(0.37)	(1.87)	(0.55)	(0.37)	(0.34)	(0.61)	(1.98)	(1.26)	(1.14)	(0.64)
Net asset value, end of year.....	\$ 11.43	\$ 11.42	\$ 12.08	\$ 12.43	\$ 11.77	\$ 9.87	\$ 10.19	\$ 8.83	\$ 12.04	\$ 11.11	\$ 10.42
Total Return(3).....	0.86%	(2.39)%	13.64%	10.47%	23.80%	0.18%	23.47%	(9.86)%	22.58%	19.90%	22.43%

RATIOS AND

SUPPLEMENTAL DATA:

Ratio of expenses to average net assets...	1.34%*	1.31%	1.29%	1.34%	1.38%	1.29%	1.12%	1.29%	1.21%	1.12%	1.16%
Ratio of net investment income to average net assets.....	2.06%*	2.82%	3.43%	2.75%	1.90%	1.96%	6.07%	5.45%	3.86%	3.53%	5.14%
Portfolio turnover....	53%	195%	107%	119%	70%	69%	214%	120%	138%	150%	168%
Net Assets, end of year (in thousands)..	\$120,515	\$121,160	\$115,780	\$89,682	\$77,461	\$63,150	\$70,513	\$69,555	\$90,974	\$69,516	\$56,386

<FN>

(1) On December 22, 1994, John Hancock Advisers, Inc. became the investment adviser to the Fund.

(2) Per share information has been calculated using the average number of shares outstanding.

(3) Total return does not include the effect of the initial sales charge.

* On an annualized basis.

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	CLASS B SHARES				
	PERIOD ENDED	YEAR ENDED AUGUST 31,			PERIOD
	FEBRUARY 28, 1995 (1) (UNAUDITED)	1994 (2)	1993 (2)	1992 (2)	AUGUST 22, 1991 TO AUGUST 31, 1991 (3)
Net asset value, beginning of period.....	\$ 11.44	\$ 12.10	\$ 12.44	\$ 11.77	\$11.52
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income.....	0.07	0.24	0.30	0.23	0.00
Net realized and unrealized gain (loss) on investments.....	(0.02)	(0.61)	1.12	0.99	0.25
Total from Investment Operations.....	0.05	(0.37)	1.42	1.12	0.25
LESS DISTRIBUTIONS:					
Dividends from net investment income.....	(0.04)	(0.29)	(0.31)	(0.15)	--
Distributions from realized gains.....	--	--	(1.45)	(0.30)	--
Total Distributions.....	(0.04)	(0.29)	(1.76)	(0.45)	0.00
Net asset value, end of period.....	\$ 11.45	\$ 11.44	\$ 12.10	\$ 12.44	\$11.77
Total Return(4).....	0.48%	(3.11)%	12.64%	9.67%	2.17%
RATIOS AND SUPPLEMENTAL DATA:					
Ratio of expenses to average net assets.....	2.09%*	2.19%	2.07%	0.06%	--
Ratio of net investment income to average net assets.....	1.31%*	2.07%	2.53%	2.02%	0.04%
Portfolio turnover.....	53%	195%	107%	119%	70%
Net Assets, end of period (in thousands).....	\$109,215	\$114,025	\$65,010	\$29,826	\$7,690

<FN>

(1) On December 22, 1994, John Hancock Advisers, Inc. became the investment adviser to the Fund.

(2) Per share information has been calculated using the average number of shares outstanding.

(3) Financial highlights, including total return, have not been annualized.
Portfolio turnover is for the year ended August 31, 1991.

(4) Total return does not include the effect of the contingent deferred sales charge.

* On an annualized basis.

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INVESTMENT OBJECTIVE AND POLICIES

The investment objective of the Fund is to obtain the highest total return, a combination of capital appreciation and current income, consistent with reasonable safety of capital. The Fund seeks to achieve its objective by allocating its assets between equity and fixed-income securities, including money market instruments. The Fund is designed primarily, but not exclusively, for the long-term investor as a base or central investment which may be termed a "core portfolio." While there is no limitation as to the proportion of the Fund's portfolio which may be invested in any type of security (unless otherwise stated below), the Fund does not intend to concentrate its investments in any particular industry. Depending upon the judgment of John Hancock Advisers, Inc. (the "Adviser") as to general market and economic conditions and other factors, the Fund may emphasize growth-oriented or income-oriented investments at different times and in varying degrees in pursuit of its objective.

THE FUND SEEKS TO OBTAIN THE HIGHEST TOTAL
RETURN, A COMBINATION OF CAPITAL
APPRECIATION AND CURRENT INCOME,
CONSISTENT WITH REASONABLE SAFETY OF
CAPITAL.

Under normal circumstances, the Fund's equity investments will consist of common and preferred stocks which have yielded their holders a dividend return within the preceding 12 months and have the potential to increase dividends in the future; however, non-income-producing securities may be held for anticipated increase in value.

The Fund may invest in fixed-income securities consisting of (1) debt securities issued or guaranteed by the U.S. Government, its agencies or instrumentalities and (2) corporate bonds, notes and debentures and other debt securities (which may have common stock or other equity conversion privileges,) determined to be appropriate investments in view of its investment objective. In addition, the Fund may also invest in depository type obligations of banks and savings and loan associations, as well as other high quality money market instruments consisting of short-term obligations of the U.S. Government or its agencies, banker's acceptances (each being of investment grade) and commercial paper rated at least P-1 by Moody's Investors Service, Inc. ("Moody's") or A-1 by Standard and Poor's Ratings Group ("S&P").

Although the Fund invests primarily in securities traded in U.S. financial markets, it may invest up to 25% of its assets (and up to 35% during times of adverse U.S. market conditions as determined by the Adviser) in equity and fixed-income securities principally traded in foreign markets.

Although the Fund's flexible asset allocation investment policy allows its portfolio to be invested substantially in stocks, bonds, or money market securities at any given time, the Adviser expects that over longer periods (barring long-term adverse market conditions), the largest portion of the Fund's portfolio will consist of equity securities. The Fund strives to accomplish its investment objective with reasonable safety of capital through continual reassessment of the Fund's asset allocation as well as through constant supervision, careful selection and broad diversification of its investments. Inasmuch as the Fund seeks to provide for its shareholders an "all-weather" investment program that is responsive to all market conditions, there can be no

assurance that it will achieve its investment objective.

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Because the values of the securities in which the Fund invests will fluctuate, the Fund's net asset value per share at the time shares are redeemed may be more or less than the net asset value per share at the time of purchase.

In pursuing its investment objective, the Fund may invest in restricted and illiquid securities, purchase warrants, invest in instruments subject to repurchase agreements, engage in reverse repurchase agreements for investment purposes, lend its portfolio securities and write (sell) covered options and purchase options on securities and foreign currencies in which it is authorized to invest, including options on debt securities indexes and stock indexes. These investment techniques may involve a greater degree of risk than those inherent in more conservative investment approaches and the use of reverse repurchase agreements will have the effect of leveraging the Fund's portfolio. See "Investments, Techniques and Risk Factors."

The extent to which the Fund will be able to achieve its investment objective will depend upon the Adviser's ability to evaluate and develop the information it receives into a successful investment program.

The Fund generally invests in equity and debt securities including convertible securities that are listed on U.S. securities exchanges or traded in the over-the-counter market. Foreign securities in which the Fund may invest may be listed on foreign securities exchanges or traded in the over-the-counter market.

The Fund considers its investment objective (consistent with safety of capital) to place limitations on its investments in corporate fixed-income securities as to quality of such portfolio holdings. Thus, in general, the portion of the Fund's investments in corporate fixed-income securities will be those of investment grade quality, that is, rated at least Baa by Moody's and BBB by S&P. The Fund may, however, purchase securities rated lower than BBB or Baa only where, in the opinion of the Adviser, the rating does not accurately reflect the true quality of the credit of the issuer and these securities are determined to be of a quality comparable to investment grade, provided that no more than 5% of the Fund's total assets are invested in these securities. The Fund will not invest in any securities rated lower than B by either Moody's or S&P. The Fund may invest in unrated corporate fixed-income securities only where, in the opinion of the Adviser, these securities are determined to be of a quality comparable to investment grade. Of these securities eligible for investment by the Fund, bonds rated BBB or Baa or lower and unrated securities can pose more risks than higher quality securities and are considered, to varying degrees, speculative in that changes in economic conditions or other circumstances are more likely to lead to a weakened capacity to make principal and interest payments than in the case of higher quality securities. See the Statement of Additional Information for a description of ratings.

Transactions in options may be entered into on U.S. exchanges and in the over-the-counter market. Over-the-counter transactions involve certain risks which may not be present in an exchange environment. The Fund intends to limit its investments in over-the-counter options, together with other illiquid securities, to 10% of the Fund's assets.

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The Fund may be emphasizing growth-oriented or income-oriented investments during any given period of time which will effect the Fund's total return. Investors should consider their investment needs, e.g., steady income or tax considerations making ordinary income more or less desirable than capital gains, before purchasing shares of the Fund.

The Fund has adopted certain investment restrictions which are enumerated in detail in the Statement of Additional Information where they are classified as fundamental or nonfundamental. Those restrictions designated as fundamental may not be changed without shareholder approval. The Fund's nonfundamental restrictions, however, may be changed by a vote of the Trustees without shareholder approval. 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 non-interested 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.

The primary consideration in choosing brokerage firms to carry out the Fund's transactions is 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 determined by the Trustees, the Adviser may place securities transactions with brokers affiliated with the Adviser. These brokers include Tucker Anthony Incorporated, Sutro and Company, Inc. and John Hancock Distributors, Inc., which 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 a diversified series of the Trust, an open-end management investment company organized as a Massachusetts business trust in 1984. 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 Trustees have authorized the issuance of two classes of the Fund, designated Class A and Class B. The shares of each class represent an interest in the same portfolio of investments of the Fund. Each class has equal rights as to voting, redemption, dividends and liquidation. However, each class bears different distribution and transfer agent fees and other expenses. Also, Class A and Class B shareholders have exclusive voting rights with respect to their distribution plans. 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.

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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") distributes shares for all of the John Hancock mutual funds through brokers which have agreements with John Hancock Funds ("Selling Brokers"). 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 \$13 BILLION.

Investment decisions are made by the portfolio manager, Brian Grove. Mr. Grove has served as the Fund's portfolio manager since June 1994. Prior to managing the Fund, Mr. Grove was portfolio manager at Daniel Breen and Company, Houston, Texas (1989-1994) and assistant vice president and investment analyst of Texas Commerce Investment Management, Houston, Texas (1988-1989).

In order to avoid any conflict 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.

ALTERNATIVE PURCHASE ARRANGEMENTS

You can purchase shares of the Fund at a price equal to their net asset value per share plus a sales charge. At your election, this charge may be imposed either at the time of the purchase (see "Initial Sales Charge Alternative," Class A shares) or on a contingent deferred basis (the "Contingent Deferred Sales Charge Alternative," Class B shares). If you do not specify on your account application the class of shares you are purchasing, it will be assumed that you are investing in Class A shares.

AN ALTERNATIVE PURCHASE PLAN ALLOWS YOU TO
CHOOSE THE METHOD OF PAYMENT THAT IS BEST
FOR YOU.

CLASS A SHARES. If you elect to purchase Class A shares, you will incur an initial sales charge unless the amount of your purchase is \$1 million or more. If you purchase \$1 million or more of Class A shares, you will not be subject to an initial sales charge, but you will incur a sales charge if you redeem your shares within one year of purchase. Class A shares are subject to ongoing distribution and service fees at a combined annual rate of up to 0.25% of the Fund's average daily net assets attributable to the Class A shares. Certain purchases of Class A shares qualify for reduced initial sales charges. See "Share Price -- Qualifying for a Reduced Sales Charge."

INVESTMENTS IN CLASS A SHARES ARE SUBJECT
TO AN INITIAL SALES CHARGE.

CLASS B SHARES. You will not incur a sales charge when you purchase Class B shares, but the shares are subject to a sales charge if you redeem them within six years of purchase (the "contingent deferred sales charge" or the "CDSC"). Class B shares are subject to ongoing distribution and service fees at a combined annual rate of up to 1.00% of the Fund's average daily net assets attributable to the Class B shares. Investing in Class B shares permits all of your dollars to work from

INVESTMENTS IN CLASS B SHARES ARE SUBJECT
TO A CONTINGENT DEFERRED SALES CHARGE.

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the time you make your investment, but the higher ongoing distribution fee will cause these shares to have higher expenses than those of Class A shares. To the extent that any dividends are paid by the Fund, these higher expenses will also result in lower dividends than those paid on Class A shares.

Class B shares are not available for full-service defined contribution plans administered by Investor Services or the Life Company that had more than 100 eligible employees at the inception of the Fund account.

FACTORS TO CONSIDER IN CHOOSING AN ALTERNATIVE

The alternative purchase arrangement allows you to choose the most beneficial way to buy shares, given the amount of your purchase, the length of time you expect to hold your shares and other circumstances. You should consider whether,

during the anticipated life of your Fund investment, the CDSC and accumulated fees on Class B shares would be less than the initial sales charge and accumulated fees on Class A shares purchased at the same time, and to what extent this differential would be offset by the Class A shares' lower expenses. To help you make this determination, the table under the caption "Expense Information" on the inside cover page of this Prospectus shows examples of the charges applicable to each class of shares. Class A shares will normally be more beneficial if you qualify for reduced sales charges. See "Share Price -- Qualifying for a Reduced Sales Charge."

YOU SHOULD CONSIDER WHICH CLASS OF SHARES
WOULD BE MORE BENEFICIAL TO YOU.

Class A shares are subject to lower distribution fees and, accordingly, pay correspondingly higher dividends per share, to the extent any dividends are paid. However, because initial sales charges are deducted at the time of purchase, you would not have all of your funds invested initially and, therefore, would initially own fewer shares. If you do not qualify for reduced initial sales charges and expect to maintain your investment for an extended period of time, you might consider purchasing Class A shares. This is because the accumulated distribution and service charges on Class B shares may exceed the initial sales charge and accumulated distribution and service charges on Class A shares during the life of your investment.

Alternatively, you might determine that it is more advantageous to purchase Class B shares to have all of your funds invested initially. However, you will be subject to higher distribution and service fees and, for a six-year period, a CDSC.

In the case of Class A shares, the distribution expenses that John Hancock Funds incurs in connection with the sale of the shares will be paid from the proceeds of the initial sales charge and ongoing distribution and service fees. In the case of Class B shares, the expenses will be paid from the proceeds of the ongoing distribution and service fees, as well as from the CDSC incurred upon redemption within six years of purchase. The purpose and function of the Class B shares' CDSC and ongoing distribution and service fees are the same as those of the Class A shares' initial sales charge and ongoing distribution and service fees. Sales personnel distributing the Fund's shares may receive different compensation for selling each class of shares.

Dividends, if any, on Class A and Class B shares will be calculated in the same manner, at the same time and on the same day. They also will be in the same amount, except for differences resulting from each class bearing only its own distribution and service fees, shareholder meeting expenses and any incremental transfer agency costs. See "Dividends and Taxes."

THE FUND'S EXPENSES

For managing its investment and business affairs, the Fund pays a monthly fee to the Adviser in an amount equal to 0.625% of the Fund's average daily net assets.

The Class A and Class B shareholders have adopted distribution plans (each a "Plan") pursuant to Rule 12b-1 under the Investment Company Act of 1940 (the "1940 Act"). Under these Plans, the Fund will pay distribution and service fees at an aggregate annual rate of up to 0.25% of the Class A shares' average daily net assets and an aggregate annual rate of 1.00% of the Class B shares' average daily net assets. In each case, up to 0.25% is for service expenses and the remaining amount is for distribution expenses. The distribution fees will be used to reimburse John Hancock Funds for its distribution expenses, including but not limited to: (i) initial and ongoing sales compensation to Selling Brokers and others (including affiliates of John Hancock Funds) engaged in the sale of Fund shares; (ii) marketing, promotional and overhead expenses incurred in connection with the distribution of Fund shares; (iii) unreimbursed distribution expenses under the Fund's prior distribution plans; (iv) distribution expenses incurred by other investment companies which sell all or substantially all of their assets to, merge with or otherwise engage in a reorganization transaction with the Fund; and (v) with respect to Class B shares only, interest expenses on unreimbursed distribution expenses. The service fees will be used to compensate Selling Brokers for providing personal and account

maintenance services to shareholders.

THE FUND PAYS DISTRIBUTION AND SERVICE
FEES FOR MARKETING AND SALES RELATED
SHAREHOLDER SERVICING.

In the event John Hancock Funds is not fully reimbursed for payments it makes or expenses it incurs under the Class A Plan, these expenses will not be carried beyond one year from the date they were incurred. Unreimbursed expenses under the Class B Plan will be carried forward together with interest on the balance of these unreimbursed expenses.

For the fiscal year ended August 31, 1994, an aggregate of \$4,187,781 of distribution expenses or 4.60% of the average net assets of the Fund's Class B shares was not reimbursed or recovered by John Hancock Funds through the receipt of deferred sales charges or Rule 12b-1 fees in prior periods.

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

DIVIDENDS AND TAXES

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

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Dividends are reinvested in additional shares of your class 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. Because of the higher expenses associated with Class B shares, any dividend on these shares will be lower than a dividend on the Class A shares. See "Share Price."

YOU SHOULD KEEP YOUR ACCOUNT STATEMENTS
RECEIVED FROM THE FUND FOR YOUR PERSONAL
TAX RECORDS.

TAXATION. Dividends from the Fund's net investment income, certain net foreign exchange gains, and net short-term capital gains are taxable to you as ordinary income. Dividends from the Fund's net long-term capital gains are taxable as long-term capital gain. These dividends are taxable whether received in cash or reinvested in additional shares. Corporate shareholders may be entitled to take a corporate dividends received deduction for dividends paid by the Fund attributable to the dividends it receives from U.S. domestic corporations, subject to certain restrictions in the Code. Certain dividends may be paid in January of a given year but may be taxable as if you received them the previous December. The Fund will send you a statement by January 31 showing the 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 or net realized capital gains distributed to its shareholders within the time period prescribed by the Code. When you redeem (sell) or exchange shares, you may realize a taxable gain or loss.

The Fund anticipates that it will be subject to foreign withholding taxes or

other foreign taxes on income (possibly including capital gains) on certain foreign investments, which will reduce the yield on those investments. The Fund does not expect to qualify to pass such taxes and any associated tax deductions or credits through to its shareholders.

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 and the proceeds of redemptions and exchanges.

In addition to Federal taxes, you may be subject to state and local or foreign taxes with respect to your investment in and distributions from the Fund. Non-U.S. shareholders and tax-exempt shareholders are subject to different tax treatment not described above. 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. You should consult your tax adviser for specific advice.

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PERFORMANCE

Yield reflects the Fund's rate of income on portfolio investments as a percentage of its share price. Yield is computed by annualizing the result of dividing the net investment income per share over a 30 day period by the maximum offering price per share on the last day of that period. Yield is also calculated according to accounting methods that are standardized for all stock and bond funds. Because yield accounting methods differ from the methods used for other accounting purposes, the Fund's yield may not equal the income paid on shares or the income reported in the Fund's financial statements.

THE FUND MAY ADVERTISE ITS YIELD AND TOTAL
RETURN.

The Fund's total return shows the overall dollar or percentage change in value of a hypothetical investment in the Fund, assuming the reinvestment of all dividends. Cumulative total return shows the Fund's performance over a period of time. Average annual total return shows the cumulative return divided over the number of years included in the period. Because average annual total return tends to smooth out variations in the Fund's performance, you should recognize that it is not the same as actual year-to-year results.

Both total return and yield calculations for Class A shares generally include the effect of paying the maximum sales charge (except as shown in "The Fund's Financial Highlights"). Investments at lower sales charges would result in higher performance figures. Total return and yield for Class B shares reflect the deduction of the applicable CDSC imposed on a redemption of shares held for the applicable period. All calculations assume that all dividends are reinvested at net asset value on the reinvestment dates during the periods. Total return and yield of Class A and Class B shares will be calculated separately and, because each class is subject to different expenses, the total return may differ with respect to that class for the same period. The relative performance of the Class A and Class B shares will be affected by a variety of factors, including the higher operating expenses attributable to the Class B shares, whether the Fund's investment performance is better in the earlier or later portions of the period measured and the level of net assets of the classes during the period. The Fund will include the total return of Class A and Class B shares in any advertisement or promotional materials including Fund performance data. The value of Fund shares, when redeemed, may be more or less than their original cost. Both yield and total return are historical calculations, and are not an indication of future performance. See "Alternative Purchase Arrangements -- Factors to Consider in Choosing an Alternative."

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HOW TO BUY SHARES

<TABLE>

The minimum initial investment in Class A and Class B is \$1,000 (\$250 for group investments and retirement plans). Complete the Account Application attached to this Prospectus. Indicate whether you are purchasing Class A or Class B shares. If you do not specify which class of shares you are purchasing, Investor Services will assume that you are investing in Class A shares.

OPENING AN ACCOUNT.

<S>	<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 Growth and Income Fund Class A or Class B shares Your Account Number Name(s) under which account is registered
	3.	Deliver the completed application to your registered representative or Selling Broker or mail it directly to Investor Services.
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.

BUYING ADDITIONAL CLASS A AND CLASS B SHARES.

PROGRAM (MAAP)	2.	The amount you elect to invest will be automatically withdrawn 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 Class A or Class B 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, the class of shares you own, 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>

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<TABLE>

<S>	<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, the class of shares you own, your account number and the name(s) in which the account is registered.

BUYING ADDITIONAL
CLASS A AND CLASS B
SHARES. (CONTINUED)

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 02205-9115
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 Growth and Income Fund
 Class A or Class B shares
 Your Account Number
 Name(s) under which account is registered

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 unless a request is made in writing to Investor Services.

</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 net assets of each class by the number of outstanding shares of that class. The NAV of each class can differ. Securities in the Fund's portfolio are valued on the basis of market quotations, valuations provided by independent pricing services or fair value as determined in good faith in accordance with procedures approved by the Trustees. Short-term debt investments maturing within 60 days are valued at amortized cost, which approximates market value. Foreign securities are valued on the basis of quotations from the primary market in which they are traded, and are translated from the local currency into U.S. dollars using current exchange rates. If quotations are not readily available or the value has been materially affected by events occurring after the closing of a foreign market, assets are valued by a method that the Trustees believe accurately reflects fair value. The NAV is calculated once daily as of the close of regular trading on the New York Stock Exchange (the "Exchange") (generally at 4:00 P.M., New York time) on each day that the Exchange is open.

THE OFFERING PRICE OF YOUR SHARES IS THEIR
NET ASSET VALUE PLUS A SALES CHARGE, IF
APPLICABLE, WHICH WILL VARY WITH THE
PURCHASE ALTERNATIVE YOU CHOOSE.

Shares of the Fund are sold at the offering price based on the NAV computed after your investment request is received in good order by John Hancock Funds. If you buy shares of the Fund through a 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 offering price.

<TABLE>

INITIAL SALES CHARGE ALTERNATIVE -- CLASS A SHARES. The offering price you pay for Class A shares of the Fund equals the NAV plus a sales charge as follows:

<CAPTION>

AMOUNT INVESTED (INCLUDING SALES CHARGE)	SALES CHARGE AS A PERCENTAGE OF OFFERING PRICE	SALES CHARGE AS A PERCENTAGE OF THE AMOUNT INVESTED	COMBINED	REALLOWANCE TO
			AND SERVICE FEE AS A PERCENTAGE OF OFFERING PRICE (+)	SELLING BROKERS AS A PERCENTAGE OF THE OFFERING PRICE (*)
<S>	<C>	<C>	<C>	<C>
Less than \$50,000	5.00%	5.26%	4.25%	4.01%
\$50,000 to \$99,999	4.50%	4.71%	3.75%	3.51%
\$100,000 to \$249,999	3.50%	3.63%	2.85%	2.61%
\$250,000 to \$499,999	2.50%	2.56%	2.10%	1.86%
\$500,000 to \$999,999	2.00%	2.04%	1.60%	1.36%
\$1,000,000 and over	0.00% (**)	0.00% (**)	(***)	0.00% (***)

<FN>

(*) Upon notice to Selling Brokers with whom it has sales agreements, John Hancock Funds may reallocate an amount up to the full applicable sales charge. In addition to the reallocation allowed to all Selling Brokers, John Hancock Funds will pay the following: round trip airfare to a resort will be offered to each registered representative of a Selling Broker (if the Selling Broker has agreed to participate) who sells certain amounts of shares of John Hancock Funds. John Hancock Funds will make these incentive payments out of its own resources. A Selling Broker to whom substantially the entire sales charge is reallocated or who receives these incentives may be deemed to be an underwriter under the Securities Act of 1933. Other than distribution and service fees, the Fund does not bear distribution expenses.

(**) No sales charge is payable at the time of purchase of Class A shares of \$1 million or more, but a CDSC may be imposed in the event of certain redemption transactions within one year of purchase.

(***) John Hancock Funds may pay a commission and the first year's service fee (as described in (+) below) to Selling Brokers who initiate and are responsible for purchases of \$1 million or more in aggregate as follows: 1% on sales to \$4,999,999, 0.50% on the next \$5 million and 0.25% on amounts of \$10 million and over.

(+) At the time of sale, John Hancock Funds pays to Selling Brokers the first year's service fee in advance in an amount equal to 0.25% of the net assets invested in the Fund, and thereafter, it pays the service fee periodically in arrears in an amount up to 0.25% of the Fund's average annual net assets. Selling Brokers receive the fee as compensation for providing personal and account maintenance services to shareholders.

</TABLE>

Sales charges ARE NOT APPLIED to any dividends that are reinvested in additional Class A shares of the Fund.

In addition, John Hancock Funds will pay certain affiliated Selling Brokers at an annual rate of up to 0.05% of the daily net assets of accounts attributable to these brokers.

Under certain circumstances described below, investors in Class A shares may be entitled to pay reduced sales charges. See "Qualifying for a Reduced Sales Charge."

<TABLE>

CONTINGENT DEFERRED SALES CHARGE -- INVESTMENTS OF \$1 MILLION OR MORE IN CLASS A SHARES. Purchases of \$1 million or more of Class A shares will be made at net asset value with no initial sales charge, but if the shares are redeemed within 12 months after the end of the calendar month in which the purchase was made (the CDSC period), a CDSC will be imposed. The rate of the CDSC will depend on the amount invested as follows:

<CAPTION>	AMOUNT INVESTED	CDSC RATE
	-----	-----
<S>		<C>
	\$1 million to \$4,999,999.....	1.00%
	Next \$5 million to \$9,999,999.....	0.50%
	Amounts of \$10 million and over.....	0.25%
</TABLE>		

Existing full service clients of the Life Company who were group annuity contract holders as of September 1, 1994 and participant directed defined contribution plans with at least 100 eligible employees at the inception of the Fund account may purchase Class A shares with no initial sales charge. However, if the shares are redeemed within 12 months after the end of the calendar year in which the purchase was made, a CDSC will be imposed at the above rate.

The CDSC will be assessed on an amount equal to the lesser of the current market value or the original purchase cost of the redeemed Class A shares. Accordingly, no CDSC will be imposed on increases in account value above the initial purchase price, including any distributions which have been reinvested in additional Class A shares.

In determining whether a CDSC applies to a redemption, the calculation will be determined in a manner that results in the lowest possible rate being charged. Therefore, it will be assumed that the redemption is first made from any shares in your account that are not subject to the CDSC. The CDSC is waived on redemptions in certain circumstances. See "Waiver of Contingent Deferred Sales Charge" below.

QUALIFYING FOR A REDUCED SALES CHARGE. If you invest more than \$50,000 in Class A shares of the Fund or a combination of funds within the John Hancock family of funds (except money market funds), you may qualify for a reduced sales charge on your investments in Class A shares through a LETTER OF INTENTION. You may also be able to use the ACCUMULATION PRIVILEGE and the COMBINATION PRIVILEGE to take advantage of the value of your previous investments in Class A shares of the John Hancock funds in meeting the breakpoints for a

 YOU MAY QUALIFY FOR A REDUCED SALES CHARGE
 ON YOUR INVESTMENT IN CLASS A SHARES.

reduced sales charge. For the ACCUMULATION PRIVILEGE and COMBINATION PRIVILEGE, the applicable sales charge will be based on the total of:

1. Your current purchase of Class A shares of the Fund.
2. The net asset value (at the close of business on the previous day) of (a) all Class A shares of the Fund you hold, and (b) all Class A shares of any other John Hancock funds you hold; and
3. The net asset value of all shares held by another shareholder eligible to combine his or her holdings with you into a single "purchase."

EXAMPLE:

If you hold Class A shares of a John Hancock fund with a net asset value of \$20,000 and, subsequently, invest \$30,000 in Class A shares of the Fund, the sales charge on this subsequent investment would be 4.50% and not 5.00% (the rate that would otherwise be applicable to investments of less than \$50,000. See "Initial Sales Charge Alternative -- Class A Shares.")

If you are in one of the following categories, you may purchase Class A shares of the Fund without paying a sales charge:

- - A Trustee/Director or officer of the Fund; a Director or officer of the Adviser and its affiliates or Selling Brokers; employees or sales representatives of any of the foregoing; retired officers, employees or Directors of any of the foregoing; a member of the immediate family of any of the foregoing; or any fund, pension, profit sharing or other benefit plan for the individuals described above.

CLASS A SHARES MAY BE AVAILABLE WITHOUT A
SALES CHARGE TO CERTAIN INDIVIDUALS AND
ORGANIZATIONS.

- - Any state, county, city or any instrumentality, department, authority, or agency of these entities that is prohibited by applicable investment laws from paying a sales charge or commission when it purchases shares of any registered investment management company.*
- - A bank, trust company, credit union, savings institution or other type of depository institution, its trust departments or common trust funds if it is purchasing \$1 million or more for non-discretionary customers or accounts.*
- - A broker, dealer or registered investment adviser that has entered into an agreement with John Hancock Funds providing specifically for the use of Fund shares in fee-based investment products made available to their clients.
- - A former participant in an employee benefit plan with John Hancock Funds, when he/she withdraws from his/her plan and transfers any or all of his/her plan distributions directly to the Fund.

*For investments made under these provisions, John Hancock Funds may make a payment out of its own resources to the Selling Broker in an amount not to exceed 0.25% of the amount invested.

Class A shares of the Fund may be purchased without an initial sales charge in connection with certain liquidation, merger or acquisition transactions involving other investment companies or personal holding companies.

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CONTINGENT DEFERRED SALES CHARGE ALTERNATIVE -- CLASS B SHARES. Class B shares are offered at net asset value per share without a sales charge so that your entire initial investment will go to work at the time of purchase. However, Class B shares redeemed within six years of purchase will be subject to a CDSC at the rates set forth below. This charge will be assessed on an amount equal to the lesser of the current market value or the original purchase cost of the shares being redeemed. Accordingly, you will not be assessed a CDSC on increases in account value above the initial purchase price, including shares derived from dividend reinvestment.

In determining whether a CDSC applies to a redemption, the calculation will be determined in a manner that results in the lowest possible rate being charged. It will be assumed that your redemption comes first from shares you have held beyond the six-year CDSC redemption period or those you acquired through reinvestment of dividends, and next from the shares you have held the longest during the six-year period. The CDSC is waived on redemptions in certain circumstances. See the discussion "Waiver of Contingent Deferred Sales Charge" below.

EXAMPLE:

You have purchased 100 shares at \$10 per share. The second year after your purchase, your investment's net asset value per share has increased by \$2 to \$12, and you have gained 10 additional shares through dividend reinvestment. If you redeem 50 shares at this time, your CDSC will be calculated as follows:

<TABLE>
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- - Proceeds of 50 shares redeemed at \$12 per share	\$ 600
- - Minus proceeds of 10 shares not subject to CDSC because they were acquired through dividend reinvestment (10 X \$12)	-120
- - Minus appreciation on remaining shares, also not subject to CDSC (40 X \$2)	- 80

- - Amount subject to CDSC	\$ 400

Proceeds from the CDSC are paid to John Hancock Funds. John Hancock Funds uses part of them to defray its expenses related to providing the Fund with distribution services connected to the sale of Class B shares, such as compensating Selling Brokers for selling these shares. The combination of the CDSC and the distribution and service fees makes it possible for the Fund to sell Class B shares without deducting a sales charge at the time of the purchase.

The amount of the CDSC, if any, will vary depending on the number of years from the time you purchase your Class B shares until the time you redeem them. Solely for the purposes of determining this holding period, any payments you make during the month will be aggregated and deemed to have been made on the last day of the month.

<TABLE>
<CAPTION>

YEAR IN WHICH CLASS B SHARES REDEEMED FOLLOWING PURCHASE	CONTINGENT DEFERRED SALES CHARGE AS A PERCENTAGE OF DOLLAR AMOUNT SUBJECT TO CDSC
-----	-----
<S>	<C>
First	5.0%
Second	4.0%
Third	3.0%
Fourth	3.0%
Fifth	2.0%
Sixth	1.0%
Seventh and thereafter	None

A commission equal to 3.75% of the amount invested and a first year's service fee equal to 0.25% of the amount invested are paid to Selling Brokers. The initial service fee is paid in advance at the time of sale for the provision of personal and account maintenance services to shareholders during the twelve months following the sale, and thereafter the service fee is paid in arrears.

WAIVER OF CONTINGENT DEFERRED SALES CHARGES. The CDSC will be waived on redemptions of Class B shares and of Class A shares that are subject to a CDSC, unless indicated otherwise, in these circumstances:

- - Redemptions of Class B shares made under Systematic Withdrawal Plan (see "How to Redeem Shares"), as long as your annual redemptions do not exceed 10% of your account value at the time you establish your Systematic Withdrawal Plan and 10% of the value of your subsequent investments (less redemptions) in that account at the time you notify Investor Services. This waiver does not apply to Systematic Withdrawal Plan redemptions of Class A shares that are subject to a CDSC.

UNDER CERTAIN CIRCUMSTANCES, THE CDSC ON
CLASS B AND CERTAIN CLASS A SHARE
REDEMPTIONS WILL BE WAIVED.

- - Redemptions made to effect distributions from an Individual Retirement Account either before or after age 59 1/2, as long as the distributions are based on the life expectancy or the joint-and-last survivor life expectancy of you and your beneficiary. These distributions must be free from penalty under the Code.

- - Redemptions made to effect mandatory distributions under the Code after age 70 1/2 from a tax-deferred retirement plan.
- - Redemptions made to effect distributions to participants or beneficiaries from certain employer-sponsored retirement plans including those qualified under Section 401(a) of the Code, custodial accounts under Section 403(b)(7) of the Code and deferred compensation plans under Section 457 of the Code. The waiver also applies to certain returns of excess contributions made to these plans. In all cases, the distributions must be free from penalty under the Code.
- - Redemptions due to death or disability.

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- - Redemptions made under the Reinvestment Privilege, as described in "Additional Services and Programs" of this Prospectus.
- - Redemptions made pursuant to the Fund's right to liquidate your account if you have less than \$100 invested in the Fund.
- - Redemptions made in connection with certain liquidation, merger or acquisition transactions involving other investment companies or personal holding companies.
- - Redemptions from certain IRA and retirement plans that purchased shares prior to October 1, 1992.

If you qualify for a CDSC waiver under one of these situations, you must notify Investor Services either directly or through your Selling Broker at the time you make your redemption. The waiver will be granted once Investor Services has confirmed that you are entitled to the waiver.

CONVERSION OF CLASS B SHARES. Your Class B shares and an appropriate portion of reinvested dividends on those shares will be converted into Class A shares automatically. This will occur no later than the month following eight years after the shares were purchased, and will result in lower annual distribution fees. If you exchanged Class B shares into the Fund from another John Hancock fund, the calculation will be based on the time you purchased the shares in the original fund. The Fund has been advised that the conversion of Class B shares to Class A shares should not be taxable for Federal income tax purposes and should not change a shareholder's tax basis or tax holding period for the converted shares.

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, less any applicable CDSC. 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. When you redeem your shares, you may realize a taxable gain or loss depending usually on the difference between what you paid for them and what you receive for them, subject to certain tax rules. Under unusual circumstances,

<TABLE>

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BY TELEPHONE

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All Fund shareholders are automatically eligible for the telephone redemption privilege. Call 1-800-225-5291, from 8:00 A.M. to 4:00 P.M. (New York time), Monday through Friday, excluding days on which the Exchange is closed. Investor Services employs the following procedures to confirm that instructions received by telephone are genuine. 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. You may redeem up to \$100,000 by telephone, but the address on the account must not have changed for the last thirty days. A check will be mailed to the exact name(s) shown on the account. If reasonable procedures, such as those described above, are not followed, the Fund may be liable for any loss due to unauthorized or fraudulent telephone instructions. In all other cases, neither the Fund nor Investor Services will be liable for any loss or expense for acting upon telephone instructions made in accordance with the telephone transaction procedures mentioned above. Telephone redemption is not available for IRAs or other tax-qualified retirement plans or shares of the Fund that are in certificate form. During periods of extreme economic conditions or market changes, telephone requests may be difficult to implement due to a large volume of calls. During these times, you should consider placing redemption requests in writing or use EASI-Line. EASI-Line's telephone number is 1-800-338-8080.

BY WIRE

If you have a telephone redemption form on file with the Fund, redemption proceeds of \$1,000 or more can be wired on the next business day to your designated bank account, and a fee (currently \$4.00) will be deducted. You may also use electronic funds transfer to your assigned bank account, and the funds are usually collectible after two business days. Your bank may or may not charge a fee for this service. Redemptions of less than \$1,000 will be sent by check or electronic funds transfer. This feature may be elected by completing the "Telephone Redemption" section on the Account Privileges Application included with this Prospectus.

IN WRITING

Send a stock power or "letter of instruction" specifying the name of the Fund, the dollar amount or the number of shares to be redeemed, your name, class of shares, your account number and the additional requirements listed below that apply to your particular account.

<CAPTION>

TYPE OF REGISTRATION

REQUIREMENTS

<S>

Individual, Joint Tenants, Sole Proprietorship, Custodial (Uniform Gifts or Transfer to Minors Act), General Partners

<C>

A letter of instruction signed (with titles where applicable) by all persons authorized 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.)

their respective net asset values. No sales charge or transaction charge is imposed. Class B shares of the Fund that are subject to a CDSC may be exchanged into Class B shares of another John Hancock fund without incurring the CDSC; however, these shares will be subject to the CDSC schedule of the shares acquired (except that exchanges into John Hancock Short-Term Strategic Income Fund, John Hancock Limited-Term Government Fund and John Hancock Adjustable U.S. Government Trust will be subject to the initial fund's CDSC). For purposes of computing the CDSC payable upon redemption of shares acquired in an exchange, the holding period of the original shares is added to the holding period of the shares

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acquired in an exchange. However, if you exchange Class B shares purchased prior to January 1, 1994 for Class B shares of any other John Hancock Fund, you will be subject to the CDSC schedule in effect on your initial purchase date.

You may exchange Class B shares of the Fund into shares of a John Hancock money market fund at net asset value. However, you will continue to be subject to a CDSC upon redemption. The rate of the CDSC will be the rate in effect for the original Fund at the time of exchange.

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.

An exchange of shares is treated as a redemption of shares of one fund and the purchase of shares in another for Federal income tax purposes. An exchange may result in a taxable gain or loss.

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 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 you 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 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.

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3. Investor Services employs the following procedures to confirm that

instructions received by telephone are genuine. 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 and class 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

REINVESTMENT PRIVILEGE

1. You will not be subject to a sales charge on Class A shares reinvested in shares of any John Hancock fund that is otherwise subject to a sales charge as long as you reinvest within 120 days from the redemption date. If you paid a CDSC upon a redemption, you may reinvest at net asset value in the same class of shares from which you redeemed within 120 days. Your account will be credited with the amount of the CDSC previously charged, and the reinvested shares will continue to be subject to a CDSC. For purposes of computing the CDSC payable upon a subsequent redemption, the holding period of the shares acquired through reinvestment will include the holding period of the redeemed shares.

IF YOU REDEEM SHARES OF THE FUND, YOU MAY
BE ABLE TO REINVEST ALL OR PART OF THE
PROCEEDS IN THE FUND OR ANOTHER JOHN
HANCOCK FUND WITHOUT PAYING AN ADDITIONAL
SALES CHARGE.

2. Any portion of your redemption may be reinvested in Fund shares or in shares of any of the other John Hancock funds, subject to the minimum investment limit of that fund.
3. To reinvest, you must notify Investor Services in writing. Include the Fund's name, the account number and class from which your shares were originally redeemed.

SYSTEMATIC WITHDRAWAL PLAN

1. You can elect the Systematic Withdrawal Plan at any time by completing the Account Privileges Application which is attached to this Prospectus. You can also obtain this application by calling your registered representative or by calling 1-800-225-5291.
2. To be eligible, you must have at least \$5,000 in your account.

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

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.

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. It is not advantageous to maintain a Systematic Withdrawal Plan concurrently with purchases of additional Class A or Class B shares, because you may be subject to initial sales charges on your purchases of Class A shares or to a CDSC on your redemptions of Class B shares. In addition, your redemptions are taxable events.
6. 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.

MONTHLY AUTOMATIC ACCUMULATION PROGRAM (MAAP)

1. You can authorize an investment to be automatically withdrawn each month from your bank, for investment in Fund shares under the "Automatic Investing" and "Bank Information" sections of the Account Privileges Application.

YOU CAN MAKE AUTOMATIC INVESTMENTS AND
SIMPLIFY YOUR INVESTING.

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.
4. There is no charge to you for this program, and there is no cost to the Fund.
5. If you have payments being withdrawn from a bank account and we are notified that the account has been closed, your withdrawals will be discontinued.

GROUP INVESTMENT PROGRAM

1. An individual account will be established for each participant, but the initial sales charge for Class A shares will be based on the aggregate dollar amount of all participants' investments. To determine how to qualify for this program, contact your registered representative or call 1-800-225-5291.

ORGANIZED GROUPS OF AT LEAST FOUR PERSONS
MAY ESTABLISH ACCOUNTS.

2. The initial aggregate investment of all participants in the group must be at least \$250.
3. There is no additional charge for this program. There is no obligation to make investments beyond the minimum, and you may terminate the program at any time.

RETIREMENT PLANS

1. You may use the Fund as a funding medium for various types of qualified retirement plans, including Individual Retirement Accounts, Keough Plans

2. The initial investment minimum or aggregate minimum for any of the above plans is \$250. However, accounts being established as Group IRA, SEP, SARSEP, TSA, 401(k) and 457 Plans will be accepted without an initial minimum investment.

INVESTMENTS, TECHNIQUES AND RISK FACTORS

The Fund's investments are subject to the following practices, techniques and restrictions and may involve certain risks. The Statement of Additional Information contains more detailed information about these practices, including limitations designed to reduce these risks. Each of the investment practices described in this section, unless otherwise specified, is deemed to be a fundamental policy and may not be changed without shareholder approval.

WARRANTS. Warrants entitle the holder to buy equity securities at a specific price for a specific period of time. The market value of warrants tends to be more volatile than that of their underlying securities. Also, the value of the warrant does not necessarily change with the value of the underlying securities and a warrant ceases to have value if it is not exercised prior to the expiration date. The Fund will not purchase warrants or rights if its holdings in warrants (valued at lower of cost or market) would exceed 5% of the value of the Fund's total net assets as a result of the purchase. In addition, the Fund will not purchase a warrant or right which is not listed on the New York or American Stock Exchanges if the purchase would result in the Fund's owning unlisted warrants in an amount exceeding 2% of its net assets.

RESTRICTED AND ILLIQUID SECURITIES. The Fund may invest up to 10% of its net assets in illiquid investments, which include repurchase agreements maturing in more than seven days, restricted securities and securities not readily marketable. The Fund may also invest up to 10% of its assets in restricted securities eligible for resale to certain institutional investors pursuant to Rule 144A under the Securities Act of 1933.

LENDING OF SECURITIES AND REPURCHASE AGREEMENTS. For the purpose of realizing additional income, the Fund may lend to broker-dealers portfolio securities amounting to not more than 33% of its total assets taken at current value or may enter into repurchase agreements. 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, 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. Securities loaned by the Fund will remain subject to fluctuations of market value.

REVERSE REPURCHASE AGREEMENTS. A reverse repurchase agreement involves the sale of a security by the Fund and its agreement to repurchase the instrument at a

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specified time and price. The Fund will maintain a segregated account consisting of liquid, high grade securities to cover its obligations under reverse repurchase agreements with selected firms approved in advance by the Board of Trustees. The Fund will use the proceeds to purchase other investments. Reverse repurchase agreements are considered to be borrowings by the Fund and as an investment practice may be considered speculative. Repurchase agreements magnify the potential for gain or loss on the portfolio securities of the Fund and therefore increase the possibility of fluctuation in the Fund's net asset value. The Fund will limit its investments in reverse repurchase agreements and other borrowings to no more than 33 1/3% of its total net assets.

SECURITIES OF FOREIGN ISSUERS. The Fund may, as a matter of non-fundamental policy, invest up to 25% of its assets (up to 35% during times when the Adviser determines that adverse U.S. market conditions make it more favorable to invest in foreign markets) in securities of foreign issuers (excluding issuers located in emerging countries). The Fund intends to invest in foreign securities only when the potential benefits are deemed to outweigh the risks. Investments in foreign securities may involve a greater degree of risk than those in domestic

securities due to exchange controls, less publicly available information, more volatile or less liquid securities markets, and the possibility of expropriation, confiscatory taxation or political, economic or social instability. There may be difficulty in enforcing legal rights outside the United States. Some foreign companies are not generally subject to the same uniform accounting, auditing and financial reporting requirements as domestic companies; also foreign regulation may differ considerably from domestic regulation of stock exchanges, brokers and securities. Security trading practices abroad may offer less protection to investors such as the Fund.

Additionally, because foreign securities may be quoted or denominated in currencies other than the U.S. dollar, changes in foreign currency exchange rates will affect the Fund's net asset value, the value of dividends and interest earned, gains and losses realized on the sale of securities, and net investment income and gains, if any, that the Fund distributes to shareholders. Securities transactions undertaken in some foreign markets may not be settled promptly. Therefore, the Fund's investments on foreign exchanges may be less liquid and subject to exchange rates pending settlement. The expense ratio of mutual funds investing significant amounts of their assets in foreign securities can be expected to be higher than those of mutual funds investing solely in domestic securities since the expenses of these funds, such as the cost of maintaining custody of foreign securities and advisory fees, are higher.

DEPOSITARY RECEIPTS. The Fund may invest in securities of foreign issuers in the form of American Depositary Receipts ("ADRs"), European Depositary Receipts ("EDRs") or other securities convertible into securities of corporations in which the Fund is permitted to invest. ADRs (sponsored and unsponsored) are receipts typically issued by an American bank or trust company which evidence ownership of underlying securities issued by a foreign corporation, and are designed for trading in United States securities markets. Issuers of the shares underlying unsponsored ADRs are not contractually obligated to disclose material information

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in the United States and, therefore, there may not be a correlation between such information and the market value of the unsponsored ADR.

FOREIGN CURRENCY TRANSACTIONS. The Fund may purchase, as a matter of non-fundamental policy, securities quoted or denominated in foreign currencies. The value of investments in such securities and the value of dividends and interest earned thereon may be significantly affected by changes in currency exchange rates. Some foreign currency values may be volatile, and there is the possibility of governmental controls on currency exchange or governmental intervention in currency markets, which could adversely affect the Fund. As a result, the Fund may enter into forward foreign currency exchange contracts to protect against changes in foreign currency exchange rates. The Fund will not speculate in foreign currencies or in forward foreign currency exchange contracts, but will enter into such transactions only in connection with its hedging strategies. A forward foreign currency exchange contract involves an obligation to purchase or sell a specific currency at a future date at a price set at the time of the contract. Although certain strategies could minimize the risk of loss due to a decline in the value of the hedged foreign currency, they could also limit any potential gain which might result from an increase in the value of the currency. See the Statement of Additional Information for further discussion of the uses and risks of forward foreign currency exchange contracts.

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. 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. A high rate of portfolio turnover (100% or more) involves transaction expenses and may, under certain circumstances, make it more difficult for the Fund to qualify as a regulated investment company under the Code. The Fund's portfolio turnover rate is set forth in the table under the caption "Financial Highlights."

OPTIONS TRANSACTIONS. The Fund may buy and sell options contracts on securities, indices and currencies. Options contracts are bought and sold to manage the Fund's exposure to changing interest rates and security prices. Some options strategies, including buying puts and writing calls, tend to hedge the Fund's investments against price fluctuations. Other strategies, including writing puts, and buying calls, tend to increase market exposure. Options may be combined with forward contracts in order to adjust the risk and return characteristics of the overall strategy. The Fund may enter into transactions in options on securities, indices and currencies for both hedging and non-hedging purposes.

The Fund will not purchase a call or put option if as a result the premium paid for the option together with premiums paid for all other stock options and options on stock indexes then held by the Fund, exceed 10% of the Fund's total net assets.

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The Fund's transactions in options contracts may be limited by the requirements of the Code for qualification as a regulated investment company.

RISKS ASSOCIATED WITH OPTIONS. The risks associated with the Fund's transactions in options include the following: (1) market risk; (2) leverage and volatility risk; (3) correlation risk; (4) credit risk; and (5) liquidity and valuation risk. See the Statement of Additional Information for further discussion of options transactions, including tax effects and investment risks.

Market Risk. Transactions in options involve the risk that the applicable market will move against the Fund's derivative position and that the Fund will incur a loss.

Leverage and Volatility Risk. Options may increase or leverage the Fund's exposure to a particular market risk, which may increase the volatility of the Fund's net asset value. The Fund may partially offset the leverage inherent in options by maintaining a segregated account consisting of cash and liquid, high grade debt securities, by holding offsetting portfolio securities or currency positions or by covering written options.

Correlation Risk. A Fund's success in using options to hedge portfolio assets depends on the degree of price correlation between the instrument and the hedged asset. Imperfect correlation may be caused by several factors, including temporary price disparities among the trading markets for the derivative instruments, the assets underlying the instrument and the Fund's portfolio assets.

Credit Risk. Over-the-counter options involve a risk that the counterparty will fail to perform its contractual obligations.

Liquidity and Valuation Risk. Some options are not readily marketable and may become illiquid under adverse market conditions. In addition, during periods of extreme market volatility, an exchange may suspend or limit trading in an exchange-traded option, which may make the options temporarily illiquid and difficult to price. The staff of the SEC takes the position that certain over-the-counter options are subject to the Fund's 10% limit on illiquid investments. The Fund's ability to terminate over-the-counter options may depend on the cooperation of the counterparties to these instruments. For options that are not heavily traded, the only source of price quotations may be the selling dealer or counterparty.

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(NOTES)

(NOTES)

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JOHN HANCOCK
GROWTH AND INCOME FUND

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

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

CUSTODIAN
Investors Bank & Trust Company
24 Federal Street
Boston, Massachusetts 02110

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 1-800-554-6713

JOHN HANCOCK
GROWTH AND
INCOME FUND

CLASS A AND CLASS B SHARES
PROSPECTUS

MAY 15, 1995
A MUTUAL FUND SEEKING TO
OBTAIN THE HIGHEST TOTAL
RETURN, A COMBINATION
OF CAPITAL APPRECIATION
AND CURRENT INCOME,
CONSISTENT WITH REASONABLE
SAFETY OF PRINCIPAL.

101 HUNTINGTON AVENUE
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JOHN HANCOCK GROWTH AND INCOME FUND

CLASS A AND CLASS B SHARES

STATEMENT OF ADDITIONAL INFORMATION
May 15, 1995

This Statement of Additional Information ("SAI") provides information about John Hancock Growth and Income Fund (the "Fund"), a series of John Hancock Investment Trust (the "Trust"), in addition to the information that is contained in the Fund's Prospectus, dated May 15, 1995.

This SAI is not a prospectus. It should be read in conjunction with the Fund's 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

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ORGANIZATION OF THE TRUST

The Trust is an open-end management investment company organized as a Massachusetts business trust under a Declaration of Trust dated December 12, 1984. The Trust currently has only one series. Prior to December 22, 1994, the Fund was called Transamerica Growth and Income Fund.

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.

CERTAIN INVESTMENT PRACTICES

Each of the investment practices described in this section, unless otherwise specified, is deemed to be a fundamental policy and may not be changed without the approval of the holders of a majority of the Fund's outstanding voting securities.

PURCHASES OF WARRANTS. The Fund's investment policies permit the purchase of rights and warrants, which represent rights to purchase the common stock of companies at designated prices. No such purchase will be made by the Fund, however, if the Fund's holdings of warrants (valued at lower of cost or market) would exceed 5% of the value of the Fund's total net assets as a result of the purchase. In addition, the Fund will not purchase a warrant or right which is not listed on the New York or American Stock Exchanges if the purchase would result in the Fund's owning unlisted warrants in an amount exceeding 2% of its net assets.

LENDING OF PORTFOLIO SECURITIES. In order to generate additional income, the Fund may, from time to time, lend up to 33% of its portfolio securities to brokers, dealers and financial institutions such as banks and trust companies. Such loans will be secured by collateral consisting of cash or U.S. Government securities which will be maintained in an amount equal to at least 100% of the current market value of the loaned securities. During the period of the loan, the Fund will receive the income on both the loaned securities and the collateral and thereby increase its return. Cash collateral will be invested in short-term high quality debt securities, which will increase the current income of the Fund. The loans will be terminable by the Fund at any time and by the borrower on one day's notice. The Fund will have the right to regain record ownership of loaned securities to exercise beneficial rights such as rights to interest or other

distributions or voting rights on important issues. The Fund may pay reasonable fees to persons unaffiliated with the Fund for

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services in arranging such loans. Lending of portfolio securities involves a risk of failure by the borrower to return the loaned securities, in which event the Fund may incur a loss.

AMERICAN DEPOSITORY RECEIPTS (ADRS) AND EUROPEAN DEPOSITORY RECEIPTS (EDRs). The Fund may invest in securities of non-U.S. issuers directly or in the form of American Depository Receipts (ADRs), European Depository Receipts (EDRs) or other similar securities representing interests in the common stocks of foreign issuers. ADRs are receipts, typically issued by a U.S. bank or trust company, which evidence ownership of underlying securities issued by a foreign corporation. EDRs are receipts issued in Europe which evidence a similar ownership arrangement. Generally, ADRs, in registered form, are designed for use in the U.S. securities markets and EDRs are designed for use in the European securities markets. The underlying securities are not always quoted or denominated in the same currency as the ADRs or the EDRs.

FOREIGN SECURITIES. The Fund may, as a matter of nonfundamental policy, invest up to 25% (and up to 35% during times of adverse U.S. market conditions) of its total assets in securities of foreign issuers.

Investing in securities of non-U.S. issuers may entail greater risks than investing in securities of issuers in the U.S. These risks include (i) less social, political and economic stability; (ii) the small current size of the markets for many such securities and the currently low or nonexistent volume of trading, which result in a lack of liquidity and in greater price volatility; (iii) certain national policies which may restrict the Fund's investment opportunities, including restrictions on investment in issuers or industries deemed sensitive to national interests; (iv) foreign taxation; and (v) the absence of developed structures governing private or foreign investment or allowing for judicial redress for injury to private property.

Investing in securities of non-U.S. companies may entail additional risks due to the potential political and economic instability of certain countries and the risks of expropriation, nationalization, confiscation or the imposition of restrictions on foreign investment and on repatriation of capital invested. In the event of such expropriation, nationalization or other confiscation by any country, the Fund could lose its entire investment in any such country.

Foreign companies are subject to accounting, auditing and financial standards and requirements that differ, in some cases significantly, from those applicable to U.S. companies. In particular, the assets, liabilities and profits appearing on the

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financial statements of such a company may not reflect its financial position or results of operations in the way they would be reflected had such financial statements been prepared in accordance with U.S. generally accepted accounting principles. Most foreign securities held by the Fund will not be registered with the Securities and Exchange Commission (the "SEC") and such issuers thereof will not be subject to the SEC's reporting requirements. Thus, there will be less available information concerning foreign issuers of securities held by the Fund than is

available concerning U.S. issuers. In instances where the financial statements of an issuer are not deemed to reflect accurately the financial situation of the issuer, the Adviser will take appropriate steps to evaluate the proposed investment, which may include on-site inspection of the issuer, interviews with its management and consultations with accountants, bankers and other specialists. There is substantially less publicly available information about foreign companies than there are reports and ratings published about U.S. companies and the U.S. Government. In addition, where public information is available, it may be less reliable than such information regarding U.S. issuers.

Because the Fund may invest up to 25% (35% during times of adverse U.S. market conditions) of its total assets in securities which are denominated or quoted in foreign currencies, the strength or weakness of the U.S. dollar against such currencies may account for part of the Fund's investment performance. A decline in the value of any particular currency against the U.S. dollar will cause a decline in the U.S. dollar value of the Fund's holdings of securities denominated in such currency and, therefore, will cause an overall decline in the Fund's net asset value and any net investment income and capital gains to be distributed in U.S. dollars to shareholders of the Fund.

The rate of exchange between the U.S. dollar and other currencies is determined by several factors including the supply and demand for particular currencies, central bank efforts to support particular currencies, the movement of interest rates, the pace of business activity in certain other countries and the U.S., and other economic and financial conditions affecting the world economy.

Although the Fund values its assets daily in terms of U.S. dollars, the Fund does not intend to convert its holdings of foreign currencies into U.S. dollars on a daily basis. However, the Fund may do so from time to time, and investors should be aware of the costs of currency conversion. Although currency dealers do not charge a fee for conversion, they do realize a profit based on the difference ("spread") between the prices at which they are buying and selling various currencies. Thus, a dealer may offer to sell a foreign currency to the Fund at one

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rate, while offering a lesser rate of exchange should the Fund desire to sell that currency to the dealer.

Securities of foreign issuers may be less liquid and their prices more volatile than securities of comparable U.S. issuers. In addition, foreign securities exchanges and brokers are generally subject to less governmental supervision and regulation than in the U.S., and foreign securities exchange transactions are usually subject to fixed commissions, which are generally higher than negotiated commissions on U.S. transactions. In addition, foreign securities exchange transactions may be subject to difficulties associated with the settlement of such transactions. Delays in settlement could result in temporary periods when assets of the Fund are uninvested and no return is earned thereon. The inability of the Fund to make intended security purchases due to settlement problems could cause the Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security due to settlement problems either could result in losses to the Fund due to subsequent declines in value of the portfolio security or, if the Fund has entered into a contract to sell the security, could result in possible liability to the purchaser.

The Fund's investment income or, in some cases, capital gains from foreign issuers may be subject to foreign withholding or other foreign taxes, thereby reducing the Fund's net investment income and/or net realized capital gains. See "Tax Status."

OPTIONS ON FOREIGN CURRENCIES. Although the Fund has no current intention of doing so, the Fund may purchase and write put and call options on foreign currencies for the purpose of protecting against declines in the dollar value of portfolio securities and against increases in the dollar cost of securities

to be acquired.

As in the case of other types of options, however, the writing of an option on foreign currency will constitute only a partial hedge, up to the amount of the premium received, and the Fund could be required to purchase or sell foreign currencies at disadvantageous exchange rates, thereby incurring losses. The purchase of an option on foreign currency may constitute an effective hedge against fluctuations in exchange rates although, in the event of rate movements adverse to the Fund's position, it may forfeit the entire amount of the premium plus related transaction costs.

Options on foreign currencies are traded in a manner substantially similar to options on securities. In particular, an option on foreign currency provides the holder with the right to purchase, in the case of a call option, or to sell, in the case of a put option, a stated quantity of a particular currency for a

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fixed price up to a stated expiration date. The writer of the option undertakes the obligation to deliver, in the case of a call option, or to purchase, in the case of a put option, the quantity of the currency called for in the option, upon exercise of the option by the holder.

As in the case of other types of options, the holder of an option on foreign currency is required to pay a one-time, non-refundable premium, which represents the cost of purchasing the option. The holder can lose the entire amount of this premium, as well as related transaction costs, but not more than this amount. The writer of the option, in contrast, generally is required to make initial and variation margin payments similar to margin deposits required in the trading of futures contracts and the writing of other types of options. The writer is therefore subject to risk of loss beyond the amount originally received and above the value of the option at the time it is entered into. Certain options on foreign currencies, like forward contracts, are traded over-the-counter through financial institutions acting as market-makers in such options and the underlying currencies. Such transactions therefore involve risks not generally associated with exchange-traded instruments. Options on foreign currencies may also be traded on national securities exchanges regulated by the SEC or commodities exchanges regulated by the Commodity Futures Trading Commission.

FORWARD FOREIGN CURRENCY CONTRACTS. The Fund may, as a matter of nonfundamental policy, engage in forward foreign currency transactions. Generally, the foreign currency exchange transactions of the Fund may be conducted on a spot (i.e., cash) basis at the spot rate for purchasing or selling currency prevailing in the foreign exchange market. The Fund may also deal in forward foreign currency exchange contracts involving currencies of the different countries in which it may invest as a hedge against possible variations in the foreign exchange rate between these currencies. This is accomplished through contractual agreements to purchase or sell a specified currency at a specified future date and price set at the time of the contract. The Fund's dealings in forward foreign currency exchange contracts will be limited to hedging either specified transactions or portfolio positions. Transaction hedging is the purchase or sale of forward foreign currency contracts with respect to specific receivables or payables of the Fund accruing in connection with the purchase and sale of its portfolio securities denominated in foreign currencies. Portfolio hedging is the use of forward foreign currency contracts to offset portfolio security positions denominated or quoted in such foreign currencies. The Fund will not attempt to hedge all of its foreign portfolio positions and will enter into such transactions only to the extent, if any, deemed appropriate by the Adviser. The Board of Trustees has

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adopted a policy of monitoring the Fund's foreign currency contract transactions to seek to assure that the Fund qualifies as a regulated investment company under the Internal Revenue Code of 1986, as amended (the "Code"). The Fund will not engage in speculative forward foreign currency exchange transactions.

If the Fund purchases a forward contract, its custodian bank will segregate cash or high grade liquid debt securities in a separate account of the Fund in an amount equal to the value of the Fund's total assets committed to the consummation of such forward contract. Those assets will be valued at market daily, and, if the value of the securities in the separate account declines, additional cash or securities will be placed in the account so that the value of the account will be equal to the amount of the Fund's commitment with respect to such contracts.

Hedging against a decline in the value of currency does not eliminate fluctuations in the prices of portfolio securities or prevent losses if the prices of such securities decline. Such transactions also preclude the opportunity for gain if the value of the hedged currency rises. Moreover, it may not be possible for the Fund to hedge against a devaluation that is so generally anticipated that the Fund is not able to contract to sell the currency at a price above the devaluation level it anticipates.

The cost to the Fund of engaging in foreign currency exchange transactions varies with such factors as the currency involved, the length of the contract period and the market conditions then prevailing. Since transactions in foreign currency are usually conducted on a principal basis, no fees or commissions are involved.

REPURCHASE AGREEMENTS. In order to enhance liquidity or preserve capital, the Fund may invest temporarily in repurchase agreements. A repurchase agreement is a contract under which the Fund would acquire a security for a relatively short period (generally not more than seven 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

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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. The Fund will not invest in a repurchase agreement maturing in more than seven days, if such investment, together with other illiquid securities held by the Fund (including restricted securities) would exceed 10% of the Fund's total assets.

REVERSE REPURCHASE AGREEMENTS. The Fund may also enter into reverse repurchase agreements which involve the sale of government securities held in its portfolio to a bank or securities firm with an agreement that the Fund will buy back the securities at a fixed future date at a fixed price plus an agreed amount of interest which may be reflected in the repurchase price. Reverse

repurchase agreements are considered to be borrowings by the Fund. The Fund will use proceeds obtained from the sale of securities pursuant to reverse repurchase agreements to purchase other investments. The use of borrowed funds to make investment is a practice known as "leverage," which is considered speculative. Use of reverse repurchase agreements is an investment technique that is intended to increase income. Thus, the Fund will enter into a reverse repurchase agreement only when the Adviser determines that the interest income to be earned from the investment of the proceeds is greater than the interest expense of the transaction. However, there is a risk that interest expense will nevertheless exceed the income earned. Reverse repurchase agreements involve the risk that the market value of securities purchased by the Fund with proceeds of the transaction may decline below the repurchase price of the securities sold by the Fund which it is obligated to repurchase. The Fund would also continue to be subject to the risk of a decline in the market value of the securities sold under the agreements because it will reacquire those securities upon effecting their repurchase. To minimize various risks associated with reverse repurchase agreements, the Fund would establish and maintain with the Fund's custodian a separate account consisting of highly liquid, marketable securities in an amount at least equal to the repurchase prices of the securities (plus any accrued interest thereon) under such agreements. In addition, the Fund would not enter into reverse repurchase agreements exceeding in the aggregate 33 1/3% of the market value of its total net assets. The Fund will enter into reverse repurchase agreements only with selected registered broker/dealers or with federally insured banks or savings and loan associations which are approved in advance as being creditworthy by the Board of Trustees. Under procedures established by the Board of Trustees, the Adviser will monitor the creditworthiness of the firms involved.

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OPTIONS TRANSACTIONS. The Fund may write listed and over-the-counter covered call options and covered put options on securities in which it is authorized to invest in order to earn additional income from the premiums received. In addition, the Fund may purchase listed and over-the-counter call and put options. The extent to which covered options will be used by the Fund will depend upon market conditions and the availability of alternative strategies.

The Fund will not purchase a call or put option if as a result the premium paid for the option together with premiums paid for all other securities options and options on securities indexes (see "-- Options on Stock Indexes") then held by the Fund, exceed 20% of the Fund's total net assets. In addition, the Fund may not write put options on securities or securities indexes with aggregate exercise prices in excess of 50% of the Fund's total net assets measured at the Fund's net asset value at the time the option is written. The Fund may not write uncovered options.

The Fund will write listed and over-the-counter call options only if they are "covered," which means that the Fund owns or has the immediate right to acquire the securities underlying the options without additional cash consideration upon conversion or exchange of other securities held in its portfolio. A call option written by the Fund may also be "covered" if the Fund holds on a share-for-share basis a covering call on the same securities where (i) the exercise price of the covering call held is (a) equal to or less than the exercise price of the call written or (b) greater than the exercise price of the call written, if the difference is maintained by the Fund in cash, U.S. Treasury bills or high grade liquid debt obligations in a segregated account with the Fund's custodian, and (ii) the covering call expires at the same time as the call written. If a covered call option is not exercised, the Fund would keep both the option premium and the underlying security. If the covered call option written by the Fund is exercised and the exercise price, less the transaction costs, exceeds the cost of the underlying security, the Fund would realize a gain in addition to the amount of the option premium it received. If the exercise price, less transaction costs, is less than the cost of the underlying security, the Fund's loss would be reduced by the amount of the option premium.

As the writer of a covered put option, the Fund will write a put option only with respect to securities it intends to acquire for its portfolio and will maintain in a segregated account with its custodian bank cash, U.S. Government securities or high-grade liquid debt securities with a value equal to the price at which the underlying security may be sold to the Fund in the event the put option is exercised by the purchaser. The Fund may also write

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a "covered" put option by purchasing on a share-for-share basis a put on the same security as the put written by the Fund if the exercise price of the covering put held is equal to or greater than the exercise price of the put written and the covering put expires at the same time or later than the put written.

When writing listed and over-the-counter covered put options on securities in which it is authorized to invest, the Fund would earn income from the premiums received. If a covered put option is not exercised, the Fund would keep the option premium and the assets maintained to cover the option. If the option is exercised and the exercise price, including transaction costs, exceeds the market price of the underlying security, the Fund would realize a loss, but the amount of the loss would be reduced by the amount of the option premium.

If the writer of an exchange-traded option wishes to terminate its obligation prior to its exercise, it may effect a "closing purchase transaction." This is accomplished by buying an option of the same series as the option previously written. The effect of the purchase is that the Fund's position will be offset by the Options Clearing Corporation. The Fund may not effect a closing purchase transaction after it has been notified of the exercise of an option. There is no guarantee that a closing purchase transaction can be effected. Although the Fund will generally write only those options for which there appears to be an active secondary market, there is no assurance that a liquid secondary market on an exchange or board of trade will exist for any particular option or at any particular time, and for some options no secondary market on an exchange may exist.

In the case of a written call option, effecting a closing transaction will permit the Fund to write another call option on the underlying security with either a different exercise price, expiration date or both. In the case of a written put option, it will permit the Fund to write another put option to the extent that the exercise price thereof is secured by deposited cash or short-term securities. Also, effecting a closing transaction will permit the cash or proceeds from the concurrent sale of any securities subject to the option to be used for other investments. If the Fund desires to sell a particular security from its portfolio on which it has written a call option, it will effect a closing transaction prior to or concurrent with the sale of the security.

The Fund will realize a gain from a closing transaction if the cost of the closing transaction is less than the premium received from writing the option. The Fund will realize a loss from a closing transaction if the cost of the closing transaction is more than the premium received for writing the option.

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However, because increases in the market price of a call option will generally reflect increases in the market price of the underlying security, any loss resulting from the repurchase of a call option is likely to be offset in whole or in part by appreciation of the underlying security owned by the Fund.

OVER-THE-COUNTER OPTIONS. The Fund may engage in options

transactions on exchanges and in the over-the-counter markets. The Adviser does not currently anticipate investments in options through exchanges other than domestic securities exchanges. In general, exchange-traded options are third-party contracts (i.e., performance of the parties' obligations is guaranteed by an exchange or clearing corporation) with standardized strike prices and expiration dates. Over-the-counter ("OTC") transactions are two-party contracts with price and terms negotiated by the buyer and seller. The Fund will acquire only those OTC options for which management believes the Fund can receive on each business day at least two separate bids or offers (one of which will be from an entity other than a party to the option) or those OTC options valued by an independent pricing service. The Fund will write and purchase OTC options only with member banks of the Federal Reserve System and primary dealers in U.S. Government securities or their affiliates which have capital of at least \$50 million or whose obligations are guaranteed by an entity having capital of at least \$50 million. The SEC has taken the position that OTC options are illiquid securities subject to the restriction that illiquid securities are limited to not more than 10% of the Fund's net assets. The SEC, however, has a partial exemption from the above restrictions on transactions in OTC options. The SEC allows the Fund to exclude from the 10% limitation on illiquid securities a portion of the value of the OTC options written by the Fund, provided that certain conditions are met. First, the other party to the OTC options has to be a primary U.S. Government securities dealer designated as such by the Federal Reserve Bank. Second, the Fund must have an absolute contractual right to repurchase the OTC options at a formula price. If the above conditions are met, the Fund may treat as illiquid only that portion of the OTC option's value (and the value of its underlying securities) which is equal to the formula price for repurchasing the OTC option, less the OTC option's intrinsic value.

RISKS OF OPTIONS ON SECURITIES INDEXES. As discussed in the Prospectus, the Fund's purchase and sale of options on indexes of debt securities (if and when such options are traded) and equity securities will be subject to risks applicable to options transactions generally. In addition, the distinctive characteristics of options on indexes create certain risks that are not present with stock options.

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Index prices may be distorted if trading of certain securities included in the index is interrupted. Trading in index options also may be interrupted in certain circumstances such as if trading were halted in a substantial number of securities included in the index or if dissemination of the current level of an underlying index is interrupted. If this occurred the Fund would not be able to close out options which it had purchased and, if restrictions on exercise were imposed, may be unable to exercise an option it holds, which could result in losses to the Fund if the underlying index moves adversely before trading resumes. However, it is the Fund's policy to purchase options only on indexes which include a sufficient number of stocks so that the likelihood of a trading halt in the index is minimized.

The purchaser of an index option may also be subject to a timing risk. If an option is exercised by the Fund before final determination of the closing index value for that day, the risk exists that the level of the underlying index may subsequently change. If such a change caused the exercised option to fall out-of-the-money (that is the exercising of the option would result in a loss, not a gain), the Fund would be required to pay the difference between the closing index value and the exercise price of the option (times the applicable multiple) to the assigned writer. Although the Fund may be able to minimize this risk by withholding exercise instructions until just before the daily cutoff time, it may not be possible to eliminate this risk entirely because the exercise cutoff times for index options may be earlier than those fixed for other types of options and may occur before definitive closing index values are announced. Alternatively, when the index level is close to the exercise price, the Fund may sell rather than exercise the option.

Although the markets for certain index option contracts have developed rapidly, the markets for other index options are still relatively illiquid. The ability to establish and close out

positions on such options will be subject to the development and maintenance of a liquid secondary market. It is not certain that this market will develop in all index option contracts. The Fund will not purchase or sell any index option contract unless and until in the opinion of the Adviser the market for such options has developed sufficiently that such risk in connection with such transactions is no greater than such risk in connection with options on securities.

LIMITATION ON TRANSACTIONS IN OPTIONS ON SECURITIES INDEXES. The Fund will write put options on indexes only if they are covered by segregating with the Fund's custodian an amount of cash, short-term investments equal to the aggregate exercise prices of such put options or an offsetting option. In addition, the Fund will write call options on indexes only if, on the date

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on which any such option is written, it holds securities qualified to serve as "cover" under applicable rules of the national securities exchanges or maintains in a segregated account an amount of cash or short-term investments equal to the aggregate exercise price of such call options with a value at least equal to the value of the index times the multiplier or an offsetting option. In the case of both put and call options on indexes, the Fund will satisfy the foregoing conditions while such options are outstanding.

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. Invest in real estate (including interests in real estate investment trusts) or commodities or in the securities of another investment company (other than pursuant to a plan of merger or consolidation).
2. Invest in a company having a record of less than three years' continuous operation, which may include the operations of any predecessor company or enterprise to which the company has succeeded by merger, consolidation, reorganization or purchase of assets.
3. Buy securities on margin or sell short.
4. Purchase securities of a company in which any officer or trustee of the Trust or the Adviser owns beneficially more than of 1% of the securities of such company and all such officers and trustees own beneficially in the aggregate more than 5% of the securities of such company.
5. Borrow money except for temporary or emergency purposes, and then not in excess of 10% of its gross assets taken at cost. Assets taken at market may not be pledged to an extent greater than 15% of gross assets taken at cost (although this would permit the Fund to pledge, mortgage or hypothecate its portfolio securities to the extent than the percentage of pledged securities would exceed 10% of the offering price of the Fund's shares, it will not do so as a matter of operating policy in order to

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comply with certain state statutes or investment restrictions); any such loan must be from a bank and the value of the Fund's assets, including the proceeds of the loan, less other liabilities of the Fund, must be at least three times the amount of the loan. (Although the Fund has never borrowed any money or pledged any portion of its assets, and has no intention of doing so, in the event that such borrowing became necessary, the Fund expects that additional portfolio securities would not be purchased while the borrowing is outstanding). 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.

6. Make loans to any of its officers or trustees, or to any firms, corporations or syndicates in which officers or trustees of the Trust have an aggregate interest of 10% or more. It is the intention of the Trust not to make loans of any nature, except the Fund may enter into repurchase agreements and lend its portfolio securities (as permitted by the Investment Company Act of 1940) as referred to under "Certain Investment Practices" above. In addition, the purchase of a portion of an issue of a publicly issued corporate debt security is not considered to be the making of a loan.
7. Purchase any securities, other than obligations of domestic banks or of the U.S. Government, or its agencies or instrumentalities, if as a result of such purchase more than 25% of the value of the Fund's total assets would be invested in the securities of issuers in any one industry.
8. Issue senior securities as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), and the rules thereunder; except insofar as the Fund may be deemed to have issued a senior security by reason of entering into a repurchase agreement or engaging in permitted borrowings.
9. Purchase securities which will result in the Fund's holdings of the issuer thereof to be more than 5% of the value of the Fund's total assets (exclusive of U.S. government securities).
10. Purchase more than 10% of the voting securities of any class of securities of any one issuer.

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The Fund has also undertaken to one or more states to abide by additional restrictions so long as its securities are registered for sale in such states. The most restrictive undertakings presently in effect are that the Fund shall not invest in oil, gas or other mineral or development programs and that the Fund's use of margins shall be for such short-term loans as are necessary for the clearance of purchases and sales of securities.

The Fund's Board of Trustees has approved the following non-fundamental investment policy pursuant to an order of the SEC: Notwithstanding any investment restriction to the contrary, the Fund may, in connection with 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 provided that, as a result, (i) no more than 10% of the Fund's assets would be invested in securities of all other investment companies, (ii) such purchase would not result in more than 3% of the total outstanding voting securities of any one such investment company being held by the Fund and (iii) no more than 5% of the Fund's assets would be invested in any one such investment company.

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.

<TABLE>

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

<CAPTION>

Name and Address	Positions Held With the Company	Principal Occupation(s) During the Past Years
-----	-----	-----
<S> EDWARD J. BOUDREAU, JR.* 101 Huntington Ave. Boston, MA 02199	<C> Trustee, Chairman and Chief Executive Officer (1) (2)	<C> Chairman and Chief Executive Officer, the Adviser and The Berkeley Financial Group ("The Berkeley Group"); Chairman, NM Capital Management, Inc. ("NM Capital"); John Hancock Advisers International Limited ("Advisers International"); John Hancock Funds, Inc.; John Hancock Investor Services Corporation ("Investor Services"); and Sovereign Asset Management Corporation ("SAMCorp"); (hereinafter the Adviser, the Berkeley Group, NM Capital, Advisers International, John Hancock Funds, Inc., Investor Services and SAMCorp are collectively referred to as the "Affiliated Companies"); Chairman, First Signature Bank & Trust; Director, John Hancock Freedom Securities Corporation,

<FN>

* An "interested person" of the Trust as such term is defined in the 1940 Act.

(1) Member of the Executive Committee. Under the Trust's Declaration of Trust, 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 Committee on Administration.
 (4) A Member of the Audit, Administration and Compensation Committees.

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<TABLE>
 <CAPTION>

Name and Address ----- <S>	Positions Held With the Company ----- <C>	Principal Occupation(s) During the Past Years ----- <C>
JAMES F. CARLIN 233 West Central Street Natick, MA 01760	Trustee	John Hancock Capital Corporation, New England/Canada Business Council; Member, Investment Company Institute Board of Governors; Trustee, Museum of Science; President, the Adviser (until July 1992); Trustee or Director of other investment companies managed by the Adviser; and Chairman, John Hancock Distributors, Inc. (until April, 1994).
WILLIAM H. CUNNINGHAM O'Henry Hall 601 Colorado Street Austin, TX 78701	Trustee	Chairman and CEO, Carlin Consolidated, Inc. (insurance); Director, Arbella Mutual Insurance Company (insurance), Consolidated Group Trust (group health plan), Carlin Insurance Agency, Inc. and West Insurance Agency, Inc.; Receiver, the City of Chelsea (until August 1992); and Trustee or Director of other investment companies managed by the Adviser.
		Chancellor, University of Texas System and former President of the University of Texas, Austin, Texas; Regents Chair in Higher Education Leadership; James L. Bayless Chair for Free Enterprise; Professor of Marketing and Dean College of Business Administration/Graduate School of Business (1983-1985); Centennial Chair in Business Education Leadership, 1983-1985; Director, LaQuinta Motor Inns,

<FN>

- * An "interested person" of the Trust as such term is defined in the 1940 Act.
 (1) Member of the Executive Committee. Under the Trust's Declaration of Trust, 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 Committee on Administration.
 (4) A Member of the Audit, Administration and Compensation Committees.

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<TABLE>
 <CAPTION>

Name and Address ----- <S>	Positions Held With the Company ----- <C>	Principal Occupation(s) During the Past Years ----- <C>
		Inc. (hotel management company); Director, Jefferson-Pilot Corporation (diversified life insurance company); Director, Freeport-McMoran Inc. (oil and gas company); Director, Barton Creek Properties, Inc. (1988-1990) (real estate

development) and LBJ Foundation Board (education foundation); and Advisory Director, Texas Commerce Bank - Austin.

CHARLES L. LADNER Trustee (3)
 UGI Corporation
 460 North Gulph Road
 King of Prussia, PA
 19406

Director, Energy North, Inc. (public utility holding company); Senior Vice President, Finance UGI Corp (public utility holding company) (until 1992); and Trustee or Director of other investment companies managed by the Adviser.

LEO E. LINBECK, JR. Trustee
 3810 W. Alabama
 Houston, TX 77027-5204

Chairman, President, Chief Executive Officer and Director, Linbeck Corporation (a holding company engaged in various phases of the construction industry and warehousing interests); Director and Chairman, Federal Reserve Bank of Dallas; Chairman of the Board and Chief Executive Officer, Linbeck Construction Corporation; Director, Panhandle Eastern Corporation (a diversified energy company); Director, Daniel Industries, Inc. (manufacturer of gas measuring products and energy related equipment); Director, GeoQuest

<FN>

- * An "interested person" of the Trust as such term is defined in the 1940 Act.
- (1) Member of the Executive Committee. Under the Trust's Declaration of Trust, 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 Committee on Administration.
 - (4) A Member of the Audit, Administration and Compensation Committees.

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 <CAPTION>

Name and Address -----	Positions Held With the Company -----	Principal Occupation(s) During the Past Years -----
<S>	<C>	<C> International, Inc. (a geophysical consulting firm); and Director, Greater Houston Partnership.
PATRICIA P. MCCARTER Swedesford Road RD #2, Box 121 Malvern, PA 19355	Trustee (3)	Director and Secretary, the McCarter Corp. (machine manufacturer); and Trustee or Director of other investment companies managed by the Adviser.
STEVEN R. PRUCHANSKY 360 Horse Creek Dr. #208 Naples, FL 33942	Trustee (1,3)	Director and Treasurer, Mast Holdings, Inc.; Director, First Signature Bank & Trust Company (until August 1991); General Partner, Mast Realty Trust; President, Maxwell Building Corp. (until 1991); and Trustee or Director of other investment companies managed by the Adviser.
NORMAN H. SMITH Rt. 1, Box 249E Linden, VA 22642	Trustee (3)	Lieutenant General, USMC, Deputy Chief of Staff for Manpower and Reserve Affairs, Headquarters Marine Corps; Commanding General III Marine Expeditionary Force/3rd Marine Division (retired 1991); and Trustee or Director of other investment companies managed by the Adviser.

JOHN P. TOOLAN
13 Chadwell Place
Morristown, NJ 07960

Trustee (3)

Director, The Smith Barney Muni
Bond Funds, The Smith Barney Tax-
Free Money Fund, Inc., Vantage
Money Market Funds (mutual
funds), The Inefficient-Market
Fund, Inc. (closed-end investment
company) and Smith Barney Trust
Company of Florida; Chairman,

<FN>

- * An "interested person" of the Trust as such term is defined in the 1940 Act.
- (1) Member of the Executive Committee. Under the Trust's Declaration of Trust, 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 Committee on Administration.
 - (4) A Member of the Audit, Administration and Compensation Committees.

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<TABLE>

<CAPTION>

Name and Address -----	Positions Held With the Company -----	Principal Occupation(s) During the Past Years -----
<S>	<C>	<C>
		Smith Barney Trust Company (retired December, 1991); Director, Smith Barney, Inc., Mutual Management Company and Smith, Barney Advisers, Inc. (investment advisers) (retired 1991); and Senior Executive Vice President, Director and member of the Executive Committee, Smith Barney, Harris Upham & Co., Incorporated (investment bankers) (until 1991); and Trustee or Director of other investment companies managed by the Adviser.
ROBERT G. FREEDMAN* 101 Huntington Ave. Boston, MA 02199	Vice Chairman and Chief Investment Officer (2)	President and Chief Investment Officer, the Adviser.
ANNE C. HODSDON* 101 Huntington Ave. Boston, MA 02199	President (2)	Executive Vice President, the Adviser.
JAMES B. LITTLE* 101 Huntington Ave. Boston, MA 02199	Senior Vice President and Chief Financial Officer	Senior Vice President, the Adviser
THOMAS H. DROHAN* 101 Huntington Ave. Boston, MA 02199	Senior Vice President and Secretary	Senior Vice President and Secretary, the Adviser.
MICHAEL P. DICARLO* 101 Huntington Ave. Boston, MA 02199	Senior Vice President (2)	Senior Vice President, the Adviser
EDGAR LARSEN* 101 Huntington Ave. Boston, MA 02199	Senior Vice President	Senior Vice President, the Adviser

<FN>

- * An "interested person" of the Trust as such term is defined in the 1940 Act.
- (1) Member of the Executive Committee. Under the Trust's Declaration of Trust, 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 Committee on Administration.
- (4) A Member of the Audit, Administration and Compensation Committees.

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<TABLE>
<CAPTION>

Name and Address ----- <S>	Positions Held With the Company ----- <C>	Principal Occupation(s) During the Past Years ----- <C>
B.J. WILLINGHAM* 101 Huntington Ave. Boston, MA 02199	Senior Vice President	Senior Vice President, the Adviser. Formerly, Director and Chief Investment Officer of Transamerica Fund Management Company.
JAMES J. STOKOWSKI* 101 Huntington Ave. Boston, MA 02199	Vice President and Treasurer.	Vice President, the Adviser.
SUSAN S. NEWTON* 101 Huntington Ave. Boston, MA 02199	Vice President and Compliance Officer	Vice President and Assistant Secretary, the Adviser.
JOHN A. MORIN* 101 Huntington Ave. Boston, MA 02199	Vice President	Vice President, the Adviser.

<FN>

- * An "interested person" of the Trust as such term is defined in the 1940 Act.
- (1) Member of the Executive Committee. Under the Trust's Declaration of Trust, 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 Committee on Administration.
 - (4) A Member of the Audit, Administration and Compensation Committees.

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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.

As of April 28, 1995, there were 19,192,828 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, no person owned of record or was known by the Fund to own 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.

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. Mr. Boudreau, a non-Independent Trustee, and each of the officers of the Funds are interested persons of the Adviser, are compensated by the Adviser and received no compensation from the Funds for their services.

Trustees -----	Aggregate Compensation from the Fund -----	Pension or Retirement Benefits Accrued as Part of the Fund's Expenses -----	Total Compensation from all Funds in John Hancock Fund Complex to Trustees** -----
James F. Carlin	\$ 0	\$ 0	\$ 60,450
William H. Cunningham	3,800*	0	0
Charles L. Ladner	0	0	60,450
Leo E. Linbeck, Jr.	5,200*	0	0
Patricia P. McCarter	0	0	60,200
Steven R. Pruchansky	0	0	62,450
Norman H. Smith	0	0	62,450
John P. Toolan	0	0	60,450

* Compensation made pursuant to different compensation arrangements then in effect for the fiscal year ended August 31,1994.

** The total compensation paid by the John Hancock Fund Complex to the Independent Trustees is \$366,450 as of the calendar year ended December 31, 1994. All Trustees/Directors except Messrs. Cunningham and Linbeck are Trustees/Directors of 39

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funds in the John Hancock Fund Complex. Messrs. Cunningham and Linbeck are Trustees/Directors of 21 funds. (The Fund was not part of the John Hancock Fund Complex until December 22, 1994 and Messrs. Cunningham and Linbeck were not trustees or directors of any funds in the John Hancock Fund Complex prior to December 22, 1994.)

Advisory Board***	Aggregate Compensation from the Fund	Pension or Retirement Benefits Accrued as Part of the Fund's Expenses	Total Compensation from all Funds in John Hancock Fund Complex to Advisory Board***
R. Trent Campbell	\$ 2,765	\$ 0	\$ 47,000
Mrs. Lloyd Bentsen	2,765	0	47,000
Thomas R. Powers	2,765	0	47,000
Thomas B. McDade	2,765	0	47,000
TOTAL	\$11,060		\$188,000

*** Estimated for the Fund's current fiscal year ending August 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 \$13 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 1,060,000 shareholders. The Adviser is a wholly-owned subsidiary of The Berkeley Financial Group, which is in turn a wholly-owned subsidiary of John Hancock Subsidiaries, Inc., which is in turn a wholly-owned subsidiary 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

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largest life insurance companies in the United States and carries Standard & Poor's and A.M. Best's highest ratings. Founded in 1862, the Life Company has been serving clients for over 130 years.

As described in the Prospectus under the caption "Organization an Management of the Fund," 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, (ii) supervision of all aspects of the Fund's operations except those that are delegated to a custodian, transfer agent or other agent and (iii) such executive, administrative and clerical personnel, officers and equipment as are necessary for the conduct of its

business. The Adviser is responsible for the day-to-day management of the Fund's portfolio assets.

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 Fund, the Adviser provides the Fund with office space, equipment and supplies and other facilities and personnel required for the business of the Fund. The Adviser pays the compensation of all officers and employees of the Fund and pays the expenses of clerical services relating to the administration 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

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daily and paid monthly in arrears, equal on an annual basis to a 0.625% of the Fund's average daily net asset value.

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.

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 its 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 initial term of the investment management contract 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 by 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

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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 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 August 31, 1992, 1993 and 1994 advisory fees payable by the Fund to TFMC, the Fund's former investment adviser, amounted to \$603,910, \$905,355 and \$1,322,162, respectively.

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

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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 current fiscal year.

For the fiscal years ended August 31, 1992, 1993 and 1994, the Fund paid to TFMC (pursuant to the Services Agreement) \$69,374, \$111,174 and \$153,060, respectively, of which \$69,374, \$92,522 and \$132,005, respectively, was paid to TFMC and \$0, \$18,652 and \$21,055, 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 of a majority of the 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 the 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.

Total underwriting commissions for sales of the Fund's Class A Shares for the fiscal years ended August 31, 1992, 1993 and 1994, respectively, were \$438,480, \$762,955 and \$883,435, respectively. Of such amounts \$49,104, \$56,633 and \$56,079, respectively, were retained by the Fund's former distributor,

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Transamerica Fund Distributors, Inc. and the remainder was reallocated to dealers.

Distribution Plan. The Board of Trustees, including the Independent Trustees of the Fund, approved new distribution plans pursuant to Rule 12b-1 under the 1940 Act for Class A Shares ("Class A Plan") and Class B Shares ("Class B Plan"). Such Plans were approved by a majority of the outstanding shares of each respective class on December 16, 1994 and became effective on December 22, 1994.

Under the Class A Plan, the distribution or service fee will not exceed an annual rate of 0.25% of the average daily net asset value of the Class A Shares of the Fund (determined in accordance with such Fund's Prospectus as from time to time in effect). Any expenses under the Class A Plan not reimbursed within 12 months of being presented to the Fund for repayment are forfeited and not carried over to future years. Under the Class B Plan, the distribution or service fee to be paid by the Fund will not exceed an annual rate of 1.00% of the average daily net assets of the Class B Shares of the Fund (determined in accordance with the Fund's prospectus as from time to time in effect); provided that the portion of such fee used to cover Service Expenses (described below) shall not exceed an annual rate of 0.25% of the average daily net asset value of the Class B Shares of the Fund. In accordance with generally accepted accounting principles, the Fund does not treat unreimbursed distribution expenses attributable to Class B shares as a liability of the Fund and does not reduce the current net assets of Class B by such amount, although the amount may be payable under Class B Plan in the future.

Under the Plans, 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 relevant class 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 the Distributor related to the distribution of Fund shares; (v) distribution expenses that were incurred by the Fund's former

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distributor and not recovered through payments under the Class A or Class B former plans or through receipt of contingent deferred sales charges; 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 Plans 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 relevant class of the Fund.

During the fiscal year ended August 31, 1994, total payments made by the Fund under the former Class A Rule 12b-1 plan to the former distributor amounted to \$301,437, and of such amount \$27,625, \$54,596, \$70,822, \$67,211 and \$81,183 represented payments for (1) the cost of printing and distribution prospectuses and financial reports to investors, (2) various sales literature, (3) advertising expenses, (4) distribution and/or administrative services and (5) service fees, respectively.

During the fiscal year ended August 31, 1994, total payments made by the Fund under the former Class B Rule 12b-1 plan to the former distributor amounted to \$909,709 of which:

- ** (1) \$227,427 represented service fees which were comprised of \$84,659 for distribution and/or administrative services provided by the Fund's former distributor and \$142,768 for service fees paid to broker/dealers.
- (2) \$682,282 represented as the total of distribution fees paid to the former distributor which are comprised of:
 - a) \$352,141 for dealer commission payments;
 - b) \$88,035 for underwriting fees; and
 - c) \$242,106 for interest or the carrying charges.

For the fiscal year ended August 31, 1994, the former distributor received \$183,054 in contingent deferred sales charges from redemption of the Fund's Class B shares.

Each of the Plans 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. Each of the Plans provides that it may be terminated (a) at any time by vote of a majority of the Trustees, a majority of the Independent

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Trustees, or a majority of the respective Class' outstanding voting securities or (b) by John Hancock Funds on 60 days' notice in writing to the Fund. Each of the Plans 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 class of the Fund which has voting rights with respect to the Plan. Each of the Plans 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. The holders of Class A Shares and Class B Shares have exclusive voting rights with respect to the Plan applicable to their respective class of shares. In adopting the Plans, the Board of Trustees has determined that, in its judgment, there is a reasonable likelihood

that each Plan will benefit the holders of the applicable class of shares of the Fund.

Information regarding the services rendered under the Plans and the Distribution Contract and the amounts paid therefore by the respective class of the Fund are provided to, and reviewed by, the Board of Trustees on a quarterly basis. In this quarterly review, the Board of Trustees considers the continued appropriateness of the Plans 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."

NET ASSET VALUE

For purposes of calculating the net asset value ("NAV") of the Fund's shares, the following procedures are utilized wherever applicable.

Debt investment securities are valued on the basis of valuations furnished by a principal market maker or a pricing service, both of which generally utilize electronic data processing techniques to determine valuations for normal institutional size trading units of debt securities without exclusive reliance upon quoted prices.

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Equity securities traded on a principal exchange or NASDAQ National Market Issues are generally valued at last sale price on the day of valuation. Securities in the aforementioned category for which no sales are reported and other securities traded over-the-counter are generally valued at the mean between the current closing bid and asked prices.

Short-term debt investments which have a remaining maturity of 60 days or less are generally valued at amortized cost, which approximates market value. If market quotations are not readily available or if in the opinion of the Adviser any quotation or price is not representative of true market value, the fair value of the security may be determined in good faith in accordance with procedures approved by the Trustees.

Any assets or liabilities expressed in terms of foreign currencies are translated into U.S. dollars by the custodian bank based on London currency exchange quotations as of 5:00 p.m., London time (12:00 noon, New York time) on the date of any determination of the Fund's NAV.

The Fund will not price its securities on the following national holidays: New Year's Day; Presidents' Day; Good Friday; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day. On any day an international market is closed and the New York Stock Exchange is open, any foreign securities will be valued at the prior day's close with the current day's exchange rate. Trading of foreign securities may take place on Saturdays and U.S. business holidays on which the Fund's NAV is not calculated. Consequently, the Fund's portfolio securities may trade and the NAV of the Fund's redeemable securities may be significantly affected on days when a shareholder has no access to the Fund.

INITIAL SALES CHARGE ON CLASS A SHARES

The sales charges applicable to purchases of Class A shares of the Fund are described in the Fund's Class A and Class B Prospectus. Methods of obtaining reduced sales charges referred

to generally in the Prospectus are described in detail below. In calculating the sales charge applicable to current purchases of Class A shares, the investor is entitled to cumulate current purchases with the greater of the current value (at offering price) of the Class A shares of the Fund, or if Investor Services is notified by the investor's dealer or the investor at the time of the purchase, the cost of the Class A shares owned.

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Combined Purchases. In calculating the sales charge applicable to purchases of Class A shares made at one time, the purchases will be combined if made by (a) an individual, his or her spouse and their children under the age of 21 purchasing securities for his or her own account, (b) a trustee or other fiduciary purchasing for a single trust, estate or fiduciary account and (c) certain groups of four or more individuals making use of salary deductions or similar group methods of payment whose funds are combined for the purchase of mutual fund shares. Further information about combined purchases, including certain restrictions on combined group purchases, is available from Investor Services or a Selling Broker's representative.

Without Sales Charge. As described in the Prospectus, Class A shares of the Fund may be sold without a sales charge to certain persons described in the Prospectus.

Accumulation Privilege. Investors (including investors combining purchases) who are already Class A shareholders may also obtain the benefit of the reduced sales charge by taking into account not only the amount then being invested but also the purchase price or value of the Class A shares already held by such person.

Combination Privilege. Reduced sales charges (according to the schedule set forth in the Class A and Class B Prospectus) also are available to an investor based on the aggregate amount of his concurrent and prior investments in Class A shares of the Fund and shares of all other John Hancock funds which carry a sales charge.

Letter of Intention. The reduced sales loads are also applicable to investments made over a specified period pursuant to a Letter of Intention (LOI), which should be read carefully prior to its execution by an investor. The Fund offers two options regarding the specified period for making investments under the LOI. All investors have the option of making their investments over a period of thirteen (13) months. Investors who are using the Fund as a funding medium for a qualified retirement plan, however, may opt to make the necessary investments called for by the LOI over a forty-eight (48) month period. These qualified retirement plans include IRA'S, SEP, SARSEP, TSA, 401(k) plans, TSA plans and 457 plans. Such an investment (including accumulations and combinations) must aggregate \$50,000 or more invested during the specified period from the date of the LOI or from a date within ninety (90) days prior thereto, upon written request to Investor Services. The sales charge applicable to all amounts invested under the LOI is computed as if the aggregate

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amount intended to be invested had been invested immediately. If such aggregate amount is not actually invested, the difference in the sales charge actually paid and the sales charge payable had the LOI not been in effect is due from the investor. However, for the purchases actually made with the specified period (either 13 or 48 months), the sales charge applicable will not be higher than that which would have been applied (including accumulations and combinations) had the LOI been for the amount actually invested.

The LOI authorizes Investor Services to hold in escrow sufficient Class A shares (approximately 5% of the aggregate) to make up any difference in sales charges on the amount intended to be invested and the amount actually invested, until such investment is completed within the specified period, at which time the escrow shares will be released. If the total investment specified in the LOI is not completed, the Class A shares held in escrow may be redeemed and the proceeds used as required to pay such sales charge as may be due. By signing the LOI, the investor authorizes Investor Services to act as his attorney-in-fact to redeem any escrow shares and adjust the sales charge, if necessary. A LOI does not constitute a binding commitment by an investor to purchase, or by the Fund to sell, any additional shares and may be terminated at any time.

DEFERRED SALES CHARGE ON CLASS B SHARES

Investments in Class B shares are purchased at net asset value per share without the imposition of a sales charge so that the Fund will receive the full amount of the purchase payment.

Contingent Deferred Sales Charge. Class B shares which are redeemed within six years of purchase will be subject to a contingent deferred sales charge ("CDSC") at the rates set forth in the Class A and Class B Prospectus as a percentage of the dollar amount subject to the CDSC. The charge will be assessed on an amount equal to the lesser of the current market value or the original purchase cost of the Class B shares being redeemed. Accordingly, no CDSC will be imposed on increases in account value above the initial purchase prices, including Class B shares derived from reinvestment of dividends or capital gains distributions.

The amount of the CDSC, if any, will vary depending on the number of years from the time of payment for the purchase of Class B shares until the time of redemption of such shares. Solely for purposes of determining the number of years from the

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time of any payment for the purchases of shares, all payments during a month will be aggregated and deemed to have been made on the last day of the month.

Proceeds from the CDSC are paid to the Distributor and are used in whole or in part by the Distributor to defray its expenses related to providing distribution-related services to the Fund in connection with the sale of the Class B shares, such as the payment of compensation to select Selling Brokers for selling Class B shares. The combination of the CDSC and the distribution and service fees facilitates the ability of the Fund to sell the Class B shares without a sales charge being deducted at the time of the purchase. See the Class A and Class B Prospectus for additional information regarding the CDSC.

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.

ADDITIONAL SERVICES AND PROGRAMS

Exchange Privilege. As described more fully in the Prospectus, the Fund permits exchanges of shares of any class of the Fund for shares of the same class in any other John Hancock

fund offering that class.

Systematic Withdrawal Plan. As described briefly in the Class A and Class B Prospectus, the Fund permits the establishment of a Systematic Withdrawal Plan. Payments under this plan represent proceeds arising from the redemption of Fund shares. Since the redemption price of Fund shares may be more or less than the shareholder's cost, depending upon the market value of the securities owned by the Fund at the time of redemption, the distribution of cash pursuant to this plan may result in realization of gain or loss for purposes of Federal, state and local income taxes. The maintenance of a Systematic Withdrawal

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Plan concurrently with purchases of additional Class A or Class B shares of the Fund could be disadvantageous to a shareholder because of the initial sales charge payable on such purchases of Class A shares and the CDSC imposed on redemptions of Class B shares and because redemptions are taxable events. Therefore, a shareholder should not purchase Fund shares at the same time as a Systematic Withdrawal Plan is in effect. 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 Investor Services.

Monthly Automatic Accumulation Program ("MAAP"). This program is explained fully in the Fund's Class A and Class B 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.

Reinvestment Privilege. A shareholder who has redeemed Fund shares may, within 120 days after the date of redemption, reinvest without payment of a sales charge any part of the redemption proceeds in shares of the same class of the Fund or another John Hancock mutual fund, subject to the minimum investment limit in that fund. The proceeds from the redemption of Class A shares may be reinvested at net asset value without paying a sales charge in Class A shares of the Fund or in Class A shares of another John Hancock mutual fund. If a CDSC was paid upon a redemption, a shareholder may reinvest the proceeds from that redemption at net asset value in additional shares of the class from which the redemption was made. The shareholder's account will be credited with the amount of any CDSC charged upon the prior redemption and the new shares will continue to be subject to the CDSC. The

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holding period of the shares acquired through reinvestment will, for purposes of computing the CDSC payable upon a subsequent redemption, include the holding period of the redeemed shares. The Fund may modify or terminate the reinvestment privilege at any time.

A redemption or exchange of Fund shares is a taxable transaction for Federal income tax purposes even if the reinvestment privilege is exercised, and any gain or loss realized by a shareholder on the redemption or other disposition of Fund shares will be treated for tax purposes as described under the caption "Tax Status."

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.

Each share of each series or class of the Fund represents an equal proportionate interest with each other in that series or class, none having priority or preference over other shares of the same series or class. The interest of investors in the various series or classes of the Fund is separate and distinct. All consideration received for the sales of shares of a particular series or class of the Fund, all assets in which such consideration is invested and all income, earnings and profits derived from such investments will be allocated to and belong to that series or class. As such, each such share is entitled to dividends and distributions out of the net income belonging to that series or class as declared by the Board of Trustees. Shares of the Fund have a par value of \$0.01 per share. The assets of each series are segregated on the Fund's books and are charged with the liabilities of that series and with a share of the Fund's general liabilities. The Board of Trustees determines those assets and liabilities deemed to be general assets or liabilities of the Fund, and these items are allocated among each series in proportion to the relative total net assets of each series. In the unlikely event that the liabilities allocable to a series exceed the assets of that series, all or a portion of such liabilities may have to be borne by the other series.

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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 two classes of shares of the Fund designated as Class A and Class B. Class A and Class B Shares of the Fund represent an equal proportionate interest in the aggregate net asset values attributable to that class of the Fund. Holders of Class A Shares and Class B Shares each have certain exclusive voting rights on matters relating to the Class A Plan and the Class B Plan, respectively. The different classes of the Fund may bear different expenses relating to the cost of holding shareholder meetings necessitated by the exclusive voting rights of any class of shares.

Dividends paid by the Fund, if any, with respect to each class of shares will be calculated in the same manner, at the same time and on the same day and will be in the same amount, except that (i) the distribution and service fees relating to Class A and Class B shares will be borne exclusively by that class; (ii) Class B shares will pay higher distribution and service fees than Class A shares; and (iii) each of Class A shares and Class B shares will bear any class expenses properly allocable to such class of shares, 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. Accordingly, the net asset value per share may vary depending whether Class A shares or Class B shares are purchased.

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

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Declaration of Trust. Also, a shareholder's 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.

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.

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.

TAX STATUS

The Fund has qualified and elected to be treated as a "regulated investment company" under Subchapter M of 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 its net income (including net short-term and

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long-term capital gains) which is distributed to shareholders at least annually in accordance with the timing requirements of the Code.

The Fund will be subject to a 4% non-deductible 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 from the Fund's current or accumulated earnings and profits ("E&P"), as computed for Federal income tax purposes, will be taxable as described in the Fund's Prospectus whether taken in shares or in cash. Distributions, if any, in excess of E&P will constitute a return of capital, which will first reduce an investor's tax basis in Fund shares and thereafter (after such basis is reduced to zero) will generally give rise to 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 elected to receive the distributions in cash, divided by the number of shares received.

If the Fund acquires stock in certain non-U.S. corporations that receive at least 75% of their annual gross income from passive sources (such as interest, dividends, rents, royalties or capital gain) or hold at least 50% of their assets in investments producing such passive income ("passive foreign investment companies"), the Fund could be subject to Federal income tax and additional interest charges on "excess distributions" received from such companies or gain from the sale of stock in such companies, even if all income or gain actually received by the Fund is timely distributed to its shareholders. The Fund would not be able to pass through to its shareholders any credit or deduction for such a tax. Certain elections may, if available, ameliorate these adverse tax consequences, but any such election would require the Fund to recognize taxable income or gain without the concurrent receipt of cash. The Fund may limit and/or manage its holdings in passive foreign investment companies to minimize its tax liability or maximize its return from these investments.

Foreign exchange gains and losses realized by the Fund in connection with certain transactions involving foreign currency-denominated debt securities, certain foreign currency options, foreign currency forward contracts, foreign currencies, or payables or receivables denominated in a foreign currency are

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subject to Section 988 of the Code, which generally causes such gains and losses to be treated as ordinary income and losses and may affect the amount, timing and character of distributions to shareholders. Any such transactions that are not directly related to the Fund's investment in stock or securities, possibly including speculative currency positions or currency derivatives not used for hedging purposes, may increase the amount of gain it is deemed to recognize from the sale of certain investments held for less than three months, which gain is limited under the Code to less than 30% of its annual gross income, and could under future Treasury regulations produce income not among the types of "qualifying income" from which the Fund must derive at least 90% of its annual gross income. If the net foreign exchange loss for a year treated as ordinary loss under Section 988 were to exceed the Fund's investment company taxable income computed without regard to such loss after consideration of certain regulations on the treatment of "post-October losses" (i.e., all of the Fund's net income other than any excess of net long-term capital gain over net short-term capital loss) the resulting overall ordinary loss for such year would not be deductible by the Fund or its shareholders in future years.

The Fund may be subject to withholding and other taxes imposed by foreign countries with respect to its investments in foreign securities. Tax conventions between certain countries and the U.S. may reduce or eliminate such taxes. The Fund does not expect to qualify to pass such taxes through to its shareholders, who consequently will generally not take such taxes into account on their own tax returns. However, the Fund generally may deduct such taxes in computing its taxable income.

The amount of the Fund's net short-term and long-term capital gains, if any, in any given year will vary depending upon the Adviser's current investment strategy and whether the Adviser believes it to be in the best interest of the Fund to dispose of portfolio securities or enter into options transactions that will generate capital gains. At the time of an investor's purchase of Fund shares, a portion of the purchase price is often attributable to realized or unrealized appreciation in the Fund's portfolio. Consequently, subsequent distributions from such appreciation may be taxable to such investor even if the net asset value of the investor's shares is, as a result of the distributions, reduced below the investor's cost for such shares, and the distributions in reality represent a return of a portion of the purchase price.

Upon a redemption of shares of the Fund (including by exercise of the exchange privilege) a shareholder may realize a

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taxable gain or loss depending upon his basis in his shares. Such gain or loss will be treated as capital gain or loss if the shares are capital assets in the shareholder's hands and will be long-term or short-term, depending upon the shareholder's tax holding period for the shares. A sales charge paid in purchasing Class A shares of the Fund cannot be taken into account for purposes of determining gain or loss on the redemption or exchange of such shares within 90 days after their purchase to the extent shares of the Fund or another John Hancock Fund are subsequently acquired without payment of a sales charge pursuant to the reinvestment or exchange privilege. Such disregarded load will result in an increase in the shareholder's tax basis in the shares subsequently acquired. Also, any loss realized on a redemption or exchange may be disallowed to the extent the shares disposed of are replaced with other shares of the Fund within a period of 61 days beginning 30 days before and ending 30 days after the shares are disposed of, such as pursuant to an election to reinvest dividends in additional shares. In such a case, the basis of the shares acquired will be adjusted to reflect the disallowed loss. Any loss realized upon the redemption of shares with a tax holding period of six months or less will be treated as a long-term capital loss to the extent of any amounts treated as distributions of long-term capital gain with respect to such shares.

Although its present intention is to distribute all net short-term and long-term capital gains, if any, the Fund reserves the right to retain and reinvest all or any portion of its "net capital gain," which is the excess, as computed for Federal income tax purposes, of net long-term capital gain over net short-term capital loss in any year. The Fund will not in any event distribute net capital gain realized in any year to the extent that a capital loss is carried forward from prior years against such gain. To the extent such excess was retained and not exhausted by the carryforward of prior years' capital losses, it would be subject to Federal income tax in the hands of the Fund. Each shareholder would be treated for Federal income tax purposes as if the Fund had distributed to him on the last day of its taxable year his pro rata share of such excess, and he had paid his pro rata share of the taxes paid by the Fund and reinvested the remainder in the Fund. Accordingly, each shareholder would (a) include his pro rata share of such excess as long-term capital gain income in his return for his taxable year in which the last day of the Fund's taxable year falls, (b) be entitled either to a tax credit on his return for, or to a refund of, his pro rata share of the taxes paid by the Fund, and (c) be entitled to increase the adjusted tax basis for his shares in the Fund by the

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difference between his pro rata share of such excess and his pro rata share of such taxes.

For Federal income tax purposes, the Fund is permitted to carry forward a net capital loss in any year to offset its 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, as noted above, would not be distributed as such to shareholders. At August 31, 1994, the Fund has a realized capital loss carryforward of \$1,383,057 which will expire as follows: \$568,953 in 1995; \$762,661 in 1996; and \$51,423 in 1998.

For purposes of the dividends received deduction available to corporations, dividends received by the Fund, if any, from U.S. domestic corporations in respect of the stock of such corporations held by the Fund, for U.S. Federal income tax purposes, for at least 46 days (91 days in the case of certain preferred stock) and distributed and designated by the Fund may be treated as qualifying dividends. Corporate shareholders must meet the minimum holding period requirement stated above (46 or 91 days) with respect to their shares of the Fund in order to qualify for the deduction and, if they borrow to acquire such shares, may be denied a portion of the dividends received deduction. The entire qualifying dividend, including the otherwise deductible amount, will be included in determining the excess (if any) of a corporate shareholder's adjusted current earnings over its alternative minimum taxable income, which may increase its alternative minimum tax liability. Additionally, any corporate shareholder should consult its tax adviser regarding the possibility that its basis in its shares may be reduced, for Federal income tax purposes, by reason of "extraordinary dividends" received with respect to the shares, for the purpose of computing its gain or loss on redemption or other disposition of the shares.

If the Fund invests in zero coupon securities or, in general, any other securities with original issue discount (or with market discount if the Fund elects to include accrued market discount in income currently), the Fund must accrue income on such investments prior to the receipt of the corresponding cash payments. However, the Fund must distribute, at least annually, all or substantially all of its net income, including such accrued income, to shareholders to qualify as a regulated investment company under the Code and avoid Federal income and excise taxes. Therefore, the Fund may have to dispose of its portfolio securities under disadvantageous circumstances to generate cash, or may have to

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leverage itself by borrowing the cash, to satisfy distribution requirements.

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.

Limitations imposed by the Code on regulated investment companies like the Fund may restrict the Fund's ability to enter into options and forward transactions.

Certain options and forward foreign currency transactions undertaken by the Fund may cause the Fund to recognize gains or losses from marking to market even though its positions have not been sold or terminated and affect the character as long-term or short-term (or, in the case of certain currency-related forward contracts or options, as ordinary income or loss) and timing of some capital gains and losses realized by the Fund. Also, certain of the Fund's losses on its transactions involving options or forward contracts and/or offsetting portfolio positions may be deferred rather than being taken into account currently in calculating the Fund's taxable income or gains. These

transactions may therefore affect the amount, timing and character of the Fund's distributions to shareholders. Certain of the applicable tax rules may be modified if the Fund is eligible and chooses to make one or more of certain tax elections that may be available. The Fund will take into account the special tax rules (including consideration of available elections) applicable to options and forward contracts in order to minimize any potential adverse tax consequences.

The foregoing discussion relates solely to U.S. Federal income tax law as 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, and ownership of or gains realized on the redemption (including an exchange) of Fund shares 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.

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Non-U.S. investors not engaged in a U.S. trade or business with which their investment in the Fund 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 30% (or a lower rate under an applicable tax treaty) on amounts treated as ordinary dividends from the Fund and, unless an effective IRS Form W-8 or authorized substitute is on file, to 31% backup withholding on certain other payments 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.

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, it will also not be required to pay any Massachusetts income tax.

CALCULATION OF PERFORMANCE

For the 30-day period ended February 28, 1995, the annualized yields of the Fund's Class A shares and Class B shares were 1.89% and 1.27%, respectively. As of February 28, 1995, the average annual total returns of the Class A shares of the Fund for the one, five and ten year periods were (6.83)%, 2.08% and 9.75%, respectively. As of February 28, 1995, the average annual returns for the Fund's Class B shares for the one year period and since inception on August 22, 1991 were (6.90)% and 5.27%, respectively.

The Fund's yield is computed by dividing net investment income per share determined for a 30-day period by the maximum offering price per share (which includes the full sales charge) on the last day of the period, according to the following standard formula:

$$\text{Yield} = \frac{2 [(a-b + 1) \sqrt[6]{-1}]}{cd}$$

Where:

a= dividends and interest earned during the period.

b= net expenses accrued during the period.

c= the average daily number of fund shares outstanding during the period that would be entitled to receive dividends.

d= the maximum offering price per share on the last day of the period (NAV where applicable).

The Fund's total return is computed by finding the average annual compounded rate of return over the 1-year, 5-year, and 10-year periods that would equate the initial amount invested to the ending redeemable value according to the following formula:

$$P(1+T)^n = ERV$$

Where:

P= a hypothetical initial investment of \$1,000.

T= average annual total return

n= number of years

ERV= ending redeemable value of a hypothetical \$1,000 investment made at the beginning of the designated periods or fraction thereof.

In the case of Class A shares or Class B shares, this calculation assumes the maximum sales charge is included in the initial investment or the CDSC is applied at the end of the period. This calculation also assumes that all dividends and distributions are reinvested at net asset value on the reinvestment dates during the period. The "distribution rate" is determined by annualizing the result of dividing the declared dividends of the Fund during the period stated by the maximum offering price or net asset value at the end of the period.

In addition to average annual total returns, the Fund may quote unaveraged or cumulative total returns reflecting the simple change in value of an investment over a stated period. Cumulative total returns may be quoted as a percentage or as a dollar amount, and may be calculated for a single investment, a series of investments, and/or a series of redemptions, over any time period. Total returns may be quoted with or without taking the Fund's maximum sales charge on Class A shares or the CDSC on Class B shares into account. Excluding the Fund's sales charge on Class A shares and the CDSC on Class B shares from a total return calculation produces a higher total return figure.

From time to time, in reports and promotional literature, the Fund's yield and total return will be compared to indices of mutual funds and bank deposit vehicles such as Lipper Analytical

Services, Inc.'s "Lipper -- Fixed Income Fund Performance Analysis," a monthly publication which tracks net assets, total return, and yield on approximately 1,700 fixed income mutual funds in the United States. Ibbotson and Associates, CDA Weisenberger and F.C. Towers are also used for comparison purposes, as well as the Russell and Wilshire Indices.

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 BARRON'S, etc. 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.

The performance of the Fund is not fixed or guaranteed. Performance quotations should not be considered to be representations of performance of the Fund for any period in the future. The performance of the Fund is a function of many factors including its earnings, expenses and number of outstanding shares. Fluctuating market conditions; purchases, sales and maturities of portfolio securities; sales and redemptions of shares of beneficial interest; and changes in operating expenses are all examples of items that can increase or decrease the Fund's performance.

Additional Performance Information. The Fund may use comparative performance information from certain industry research materials and/or published in various periodicals. The characteristics of the investments in such comparisons may be different from those investments of the Fund's portfolio. In addition, the formula used to calculate the performance statistics of such investments may not be identical to the formula used by the Fund to calculate its performance figures. From time to time, advertisements or information for the Fund may include a discussion of certain attributes or benefits to be derived by an investment in the Fund. Such advertisements or information may include symbols, headlines or other material which highlight or summarize the information discussed in more detail in the communication.

The following publications, indexes, averages and investments which may be used in advertisements or information concerning the Fund for dissemination to investors or shareholders, include, but are not limited, to:

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- a) Dow Jones Composite Average or its component averages - an unmanaged index composed of 30 blue-chip industrial corporation stocks (Dow Jones Industrial Average), 15 utilities company stocks (Dow Jones Utilities Average), and 20 transportation company stocks. Comparisons of performance assume reinvestment of dividends.
- b) Standard & Poor's 500 Stock Index or its component indices - an unmanaged index composed of 400 industrial stocks, 40 financial stocks, 40 utilities stocks, and 20 transportation stocks. Comparisons of performance assume reinvestment of dividends.
- c) The New York Stock Exchange composite or component indices - unmanaged indices of all industrial, utilities, transportation, and finance stocks listed on the New York Stock Exchange.
- d) Wilshire 5000 Equity Index - represents the return on the market value of all common equity securities of which daily pricing is available. Comparisons of performance assume reinvestment of dividends.
- e) Lipper - Mutual Fund Performance Analysis, Lipper - Fixed Income Analysis, and Lipper Mutual Fund indices - measure total return and average current yield for the mutual fund industry. Ranks individual mutual fund performance over specified time periods assuming reinvestment of all distributions, exclusive of any applicable sales charges.
- f) CDA Mutual Fund Report, published by CDA Investment Technologies, Inc. - analyzes price, current yield, risk, total return, and average rate of return (average annual compounded growth rate) over specified time periods for the mutual fund industry.
- g) Mutual Fund Source Book and other similar rating publications by Morningstar, Inc. - independent performance monitor of equity and fixed income mutual funds. Morningstar ratings (ranging from one star for lowest and five stars for highest) are based on analysis of a fund's ratio, i.e., price yield, risk (volatility) and total return, including all loads and fees, compared with similar funds for three-, five- and ten-year periods.

h) Financial publications: Barrons, Business Week, Personal Finance, Financial World, Forbes, Fortune, "The Wall

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Street Journal", "New York Times", Weisenberger Investment Companies Service, Institutional Investor, and Money - rate fund performance over specified time periods and provide other relative performance or industry information.

i) Consumer Price Index (or Cost of Living Index), published by the U. S. Bureau of Labor Statistics - a statistical measure of change, over time, in the price of goods and services in major expenditure groups.

j) Stocks, Bonds, Bills, and Inflation, published by Ibbotson Associates - historical measure of yield, price, and total return for common and small company stock, long-term government bonds, Treasury bills, and inflation.

k) Savings and Loan Historical Interest Rates - as published in the U. S. Savings & Loan League Fact Book.

l) Salomon Brothers Broad Bond Index or its component indices - The Broad Index measures yield, price and total return for Treasury, Agency, Corporate, and Mortgage bonds.

m) Salomon Brothers Composite High Yield Index or its component indices - The High Yield Index measures yield, price and total return for Long-Term High-Yield Index, Intermediate-Term High-Yield Index and Long-Term Utility High-Yield Index.

n) Shearson Lehman Brothers Aggregate Bond index or its component indices (including Municipal Bond Index) - The Aggregate Bond Index measures yield, price and total return for Treasury, Agency, Corporate, Mortgage, and Yankee bonds.

o) Standard & Poor's Bond Indices - measure yield and price of Corporate, Municipal, and government bonds.

p) Other taxable investments, including certificates of deposit (CDs), money market deposit accounts (MMDAs), checking accounts, savings accounts, money market mutual funds, and repurchase agreements.

q) Historical data supplied by the research departments of Shearson Lehman Hutton, First Boston Corporation, Morgan Stanley, Salomon Brothers, Merrill Lynch, and Donaldson Lufkin and Jenrette.

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r) Donoghues's Money Fund Report - industry averages for 7-day annualized and compounded yields of taxable, tax-free and government money funds.

s) Russell 2000 (small capitalization stock index), Bond Buyer 25 Revenue Bond Index and other indices as may from time to time become available.

t) The Value Line Mutual Fund Survey, published by Value

Line, assigns rankings of 1 (best) to 5 (worst) in terms of risk adjusted performance covering more than 2,000 equity and fixed income mutual funds.

From time to time, in reports and promotional literature, the Fund's performance will be compared to other mutual funds and investment vehicles such as F.C. Towers.

In addition, advertisements and sales materials may, from time to time, contain hypothetical performance examples for purposes of illustrating reinvestment (or "compounding") of dividends at fixed rates of return or tax advantages to be derived from deferring payment of federal (and state) income taxes (at maximum rates) as compared to taxable investments assuming fixed rates of return. Illustrations may also include (1) hypothetical investments in various retirement plans, such as IRAs, made by investors of various ages or (2) comparisons to retirement plans funded by annuity or bank products.

In assessing such comparisons, an investor should consider the following factors:

- a) It is generally either not possible or not practicable to invest in an average or index of certain investments.
- b) Certificates of deposit issued by banks and other depository institutions represent an alternative income producing product. Certificates of deposit may offer fixed or variable interest rates and principal is guaranteed and may be insured. Withdrawal of deposits prior to maturity will normally be subject to a penalty. Rates offered by banks and other depository institutions are subject to change at any time specified by the issuing institution.

The Fund may from time to time advertise its comparative performance as measured or refer to results published by various periodicals including, but not limited to, Lipper Analytical Services, Inc. Barron's, "The Wall Street Journal", "New York

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Times", Weisenberger Investment Companies Service, Donoghue's Money Fund Report, Stanger's Investment Advisor, Financial Planning, Money, Fortune, Personal Finance, Muni Week, Institutional Investor, Business Week, Financial World and Forbes. In addition, the Fund may from time to time advertise its performance relative to certain indexes and benchmark investments, including: (a) the Shearson Lehman Municipal Bond Index, (b) Bond Buyer 25 Review Bond Index, (c) the Consumer Price Index, and (d) taxable investments such as certificates of deposit, money market deposit accounts, checking accounts, savings accounts, and money market mutual funds.

The composition of the investments in such indexes and the characteristics of such benchmark investments are not identical to, and in some cases are very different from, those of the Fund's portfolio. These indexes and averages are generally unmanaged and the items included in the calculations of such indexes and averages may not be identical to the formulas used by the Fund to calculate its performance figures.

BROKERAGE ALLOCATION

Decisions concerning the purchase and sale of portfolio securities and the allocation of brokerage commissions are made by the Adviser and officers of the Fund 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 Adviser, 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

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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 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 August 31, 1994, 1993 and 1992, the aggregate dollar amount of brokerage commissions paid were \$373,133, \$369,686 and \$1,409,315, respectively.

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 August 31, 1994, 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 Freedom Securities Corporation and its subsidiaries, three of which, Tucker Anthony Incorporated ("Tucker Anthony") John Hancock Distributors, Inc.

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("John Hancock Distributors") and Sutro & Company, Inc. ("Sutro"), are broker-dealers ("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 August 31, 1994, 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.

The Fund's portfolio turnover rates for the fiscal years ended August 31, 1993 and 1994 were 107% and 195%, respectively. The Fund's relatively high portfolio turnover rate was due to changes in asset allocation between U.S. Treasury securities cash equivalents and GNMA certificates. These changes reflected the portfolio managers' changing assessment of market conditions and expectations in interest rate movements.

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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 \$16.00 per account for the Class A Shares and \$18.50 per account for the Class B Shares, plus out-of-pocket expenses.

CUSTODY OF PORTFOLIO

Portfolio securities of the Fund are held pursuant to a custodian agreement between the Fund and Investors Bank & Trust Company ("IBT"), 24 Federal Street, Boston, Massachusetts. Under the custodian agreement, IBT 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.

APPENDIX A

Description of Bond Ratings

The ratings of Moody's Investors Service, Inc. and Standard & Poor's Ratings Group represent their opinions as to the quality of various debt instruments they undertake to rate. It should be emphasized that ratings are not absolute standards of quality. Consequently, debt instruments with the same maturity, coupon and rating may have different yields while debt instruments of the same maturity and coupon with different ratings may have the same yield.

MOODY'S INVESTORS SERVICE, INC.

Aaa: Bonds which are rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edge." Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues.

Aa: Bonds which are rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what are generally known as high grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuations of protective elements may be of greater amplitude or there may be other elements present which make the long-term risks appear somewhat larger than in Aaa securities.

A: Bonds which are rated A possess many favorable investment attributes and are to be considered as upper medium grade obligations. Factors giving security to principal and interest are considered adequate but elements may be present which suggest a susceptibility to impairment at some time in the future.

Baa: Bonds which are rated Baa are considered as medium grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

Ba: Bonds which are rated Ba are judged to have speculative elements; their future cannot be considered as well assured. Often the protection of interest and principal payments may be

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very moderate and thereby not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class.

B: Bonds which are rated B generally lack the characteristics of desirable investment. Assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small.

STANDARD & POOR'S RATINGS GROUP

AAA: Debt rated AAA has the highest rating assigned by Standard & Poor's. Capacity to pay interest and repay principal is extremely strong.

AA: Debt rated AA has a very strong capacity to pay interest and repay principal and differs from the highest rated issues only in small degree.

A: Debt rated A has a strong capacity to pay interest and repay principal, although it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than debt in higher rated categories.

BBB: Debt rated BBB is regarded as having an adequate capacity to pay interest and repay principal. Whereas it normally exhibits adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for debt in this category than in higher rated categories.

BB, B: Debt rated BB, and B is regarded, on balance, as predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. BB indicates the lowest degree of speculation and CC the highest degree of speculation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions.

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FINANCIAL STATEMENTS

STATEMENT OF NET ASSETS

August 31, 1994

<TABLE>
<CAPTION>

COMPANY / ISSUER	SHARES	VALUE
<S>	<C>	<C>

COMMON STOCKS - 95.80%		

CONSUMER CYCLICALS - 6.34%		
Daimler-Benz Aktieng ADS	70,000	\$ 3,710,000
Federated Department Stores Inc.*	150,000	3,168,750
Louisiana-Pacific Corp.	100,000	3,550,000
Penney (J.C.) Co., Inc.	85,000	4,473,125

		14,901,875
CONSUMER GOODS & SERVICES - 18.82%		
Avery Dennison Corp.	75,000	2,587,500
CPC International Inc.	70,000	3,745,000
Clorox Co.	75,000	3,909,375
Coca-Cola Co.	97,300	4,475,800
Colgate-Palmolive Co.	62,500	3,578,125
Eastman Kodak Co.	130,000	6,467,500
Heinz (H.J.) Co.	100,000	3,662,500
McDonald's Corp.	153,000	4,322,250
Pet Inc.	100,000	2,025,000
Philip Morris Cos., Inc.	55,000	3,355,000
Strum Ruger & Co., Inc.	90,800	2,383,500
WMX Technologies, Inc.	125,000	3,750,000

		44,261,550
ENERGY - 14.88%		
Atlantic Richfield Co.	25,000	2,678,125
DuPont (E.I.) de Nemours & Co.	77,000	4,658,500
Energy Services Inc.*	111,500	1,700,375
Exxon Corp.	50,000	2,975,000
Murphy Oil Corp.	25,000	1,184,375
Oryx Energy Co.	150,000	2,156,250
Pennzoil Co.	60,000	3,075,000
Schlumberger Ltd	50,000	2,850,000
Sonat, Inc.	146,000	4,453,000
Transco Energy Co.	300,000	4,575,000
Williams Cos., Inc. (The)	150,900	4,696,762

		35,002,387
FINANCIAL SERVICES - 12.70%		
Alexander & Alexander Services, Inc.	140,000	2,870,000
Banc One Corp.	130,000	4,517,500
Hibernia Corp. Class A	550,000	4,537,500
Midlantic Corp.	150,000	4,518,750
Morgan (J.P.) & Co., Inc.	80,000	5,270,000
Riggs National Corp.*	130,000	1,397,500
Student Loan Marketing Assoc	60,000	2,310,000
Travelers Inc.	120,000	4,440,000

		29,861,250
HEALTH CARE - 4.10%		
Pfizer Inc.	80,000	5,460,000
Schering-Plough Corp.	60,000	4,192,500

9,652,500

INDUSTRIALS - 18.17%		
AK Steel Holding Corp.*	100,000	3,150,000
AlliedSignal Inc.	118,000	4,410,250
American President Cos., Ltd	100,000	2,637,500
Cooper Industries, Inc.	100,000	3,962,500
Eastman Chemical Co.	50,000	2,637,500
Federal Paper Board Co., Inc.	150,000	4,556,250
TRW Inc.	79,400	5,955,000
Temple-Inland Inc.	50,000	2,818,750
Union Carbide Corp.	200,000	6,875,000
United Technologies Corp.	90,000	5,726,250

		42,729,000

MEDIA & LEISURE - 5.93%		
Blockbuster Entertainment Corp.	50,000	1,293,750
CBS Inc.	10,000	3,213,750
Disney (Walt) Co.	100,000	4,112,500
Time Warner Inc.	140,000	5,337,500
		=====
		13,957,500

</TABLE>

STATEMENT OF NET ASSETS

Continued

<TABLE>

<CAPTION>

COMPANY / ISSUER	SHARES	VALUE
-----	-----	-----
<S>	<C>	<C>
TECHNOLOGY-RELATED - 13.11%		
Alliant Techsystems, Inc.*	50,000	1,593,750
American Telephone & Telegraph Co.	78,000	4,270,500
Compaq Computer Corp.*	141,000	5,269,875
Hewlett-Packard Co.	56,000	5,033,000
Northrop Grumman Corp.	195,000	8,775,000
Rohr, Inc.*	150,000	1,556,250
Unisys Corp.*	440,000	4,345,000

		30,843,375
TRANSPORTATION - 1.75%		
Southwest Airlines Co.	155,000	4,107,500

TOTAL COMMON STOCKS (Cost \$209,974,915)		225,316,937
CONVERTIBLE PREFERRED STOCK - 2.98%		
CONSUMER GOODS & SERVICES - 2.98%		
RJR Nabisco Holdings Corp. (A) (Cost \$6,575,356)	1,000,000	7,000,000

</TABLE>

<TABLE>

<CAPTION>

ISSUER	FACE AMOUNT	VALUE
-----	-----	-----
<S>	<C>	<C>
CONVERTIBLE CORPORATE DEBT - 1.27%		
CONSUMER CYCLICALS - 1.27%		
Home Depot Inc. 4.500% due 02/15/97 (Cost \$2,664,295)	\$2,500,000	2,975,000

TOTAL INVESTMENTS - 100.05% (Cost \$219,214,566)		235,291,937

CASH AND OTHER ASSETS, LESS LIABILITIES - (0.05)%	(106,584)

NET ASSETS, at value, equivalent to \$11.42 per share for 10,608,098 Class A Shares (\$.01 par value) outstanding and \$11.44 per share for 9,965,870 Class B Shares (\$.01 par value) outstanding - 100.00%	\$235,185,353 =====

</TABLE>

(A) RJR Nabisco Holdings Corp. convertible preferred shares are depository shares representing 1/10 share of RJR Nabisco Holdings Corp. common stock Class C.

* Non-income producing.

See Notes to Financial Statements.

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STATEMENT OF OPERATIONS/STATEMENTS OF CHANGES IN NET ASSETS

STATEMENT OF OPERATIONS
Year Ended August 31, 1994
<TABLE>
<CAPTION>

INVESTMENT INCOME	<S>	<C>	<C>
Dividends (net of foreign withholding taxes of \$77,810)			\$ 7,486,676
Interest			1,242,012

			8,728,688
 EXPENSES			
Management fees	\$1,322,162		
Distribution expenses (see Note D)	1,211,146		
Transfer agent fees	492,904		
Administrative service fees	153,060		
Registration fees	70,301		
Custodian fees	68,056		
Audit and legal fees	61,634		
Shareholder reports	34,597		
Trustees' fees and expenses	24,575		
Miscellaneous	41,401		

NET INVESTMENT INCOME			5,248,852
 REALIZED AND UNREALIZED LOSS ON INVESTMENTS			
Net realized loss on investments			(4,108,702)
Net change in unrealized appreciation of investments			(6,227,126)
 NET REALIZED AND UNREALIZED LOSS ON INVESTMENTS			(10,335,828)

DECREASE IN NET ASSETS resulting from operations			\$ (5,086,976)
			=====

</TABLE>

STATEMENTS OF CHANGES IN NET ASSETS
<TABLE>
<CAPTION>

YEAR ENDED AUGUST 31,	
1994	1993
-----	-----
-----	-----

<u><S></u>	<u><C></u>	<u><C></u>
OPERATIONS		
Net investment income	\$ 5,248,852	\$ 4,577,315
Net realized gain (loss) on investments	(4,108,702)	341,208
Net change in unrealized appreciation of investments	(6,227,126)	13,787,579
	-----	-----
Increase (decrease) in net assets resulting from operations	(5,086,976)	18,706,102
DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net investment income -		
Class A	(3,841,209)	(3,426,101)
Class B	(2,125,768)	(1,053,981)
Net realized gain on investments -		
Class A	--	(11,169,539)
Class B	--	(4,323,297)
	-----	-----
Total distributions to shareholders	(5,966,977)	(19,972,918)
SHARE TRANSACTIONS		
Increase in shares outstanding		
	38,856,750	62,548,141
Issuance of Fund shares for net assets of Transamerica Special Blue Chip Fund (see Note E)		
	26,592,756	--
	-----	-----
Total share transactions	65,449,506	62,548,141
	-----	-----
Increase in net assets	54,395,553	61,281,325
NET ASSETS		
Beginning of year	180,789,800	119,508,475
	-----	-----
End of year	\$235,185,353	\$180,789,800
	=====	=====
Undistributed Net Investment Income		
	\$ 310,216	\$ 894,920
	=====	=====

</TABLE>

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

<TABLE>
<CAPTION>

	CLASS A SHARES					CLASS B SHARES			PERIOD FROM AUGUST 22, 1991 TO AUGUST 31, 1991 (1) (2)
	YEAR ENDED AUGUST 31,					YEAR ENDED AUGUST 31,			
	1994 (2)	1993 (2)	1992 (2)	1991	1990	1994 (2)	1993 (2)	1992 (2)	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Per share income and capital changes for a share outstanding during each period:									
Net asset value, beginning of period	\$ 12.08	\$ 12.43	\$ 11.77	\$ 9.87	\$ 10.19	\$ 12.10	\$ 12.44	\$ 11.77	\$11.52
INCOME FROM INVESTMENT OPERATIONS									
Net investment income	0.32	0.40	0.32	0.20	0.20	0.24	0.30	0.23	0.00
Net realized and unrealized gain (loss) on investments	(0.61)	1.12	0.89	2.07	(0.18)	(0.61)	1.12	0.89	0.25
	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total from Investment									

Operations	(0.29)	1.52	1.21	2.27	0.02	(0.37)	1.42	1.12	0.25
LESS DISTRIBUTIONS									
Dividends from net investment income	(0.37)	(0.42)	(0.25)	(0.19)	(0.27)	(0.29)	(0.31)	(0.15)	--
Distributions from realized gains	--	(1.45)	(0.30)	(0.18)	(0.07)	--	(1.45)	(0.30)	--
Total Distributions	(0.37)	(1.87)	(0.55)	(0.37)	(0.34)	(0.29)	(1.76)	(0.45)	0.00
Net asset value, end of period	\$ 11.42	12.08	12.43	11.77	9.87	11.44	12.10	12.44	11.77
TOTAL RETURN(3)	(2.39)%	13.64%	10.47%	23.80%	0.18%	(3.11)%	12.64%	9.67%	2.17%
RATIOS AND SUPPLEMENTAL DATA									
Ratio of expenses to average net assets	1.31%	1.29%	1.34%	1.38%	1.29%	2.06%	2.19%	2.07%	0.06%
Ratio of net investment income to average net assets	2.82%	3.43%	2.75%	1.90%	1.96%	2.07%	2.53%	2.02%	0.04%
Portfolio turnover	195%	107%	119%	70%	69%	195%	107%	119%	70%
Net Assets, end of period (in thousands)...	\$121,160	\$115,780	\$89,682	\$77,461	\$63,150	\$114,025	\$65,010	\$29,826	\$7,690

</TABLE>

(1) Financial highlights, including total return, have not been annualized.

Portfolio turnover is for the year ended August 31, 1991.

(2) Per share information has been calculated using the average number of shares outstanding.

(3) Total return does not include the effect of the initial sales charge for Class A Shares nor the contingent deferred sales charge for Class B Shares.

See Notes to Financial Statements.

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NOTES TO FINANCIAL STATEMENTS

August 31, 1994

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

Transamerica Investment Trust (the "Trust") is a diversified, open-end management investment company registered under the Investment Company Act of 1940, as amended. Transamerica Growth and Income Fund (the "Fund") is the only series of the Trust presently issuing shares. The Fund offers two classes of shares to the public. Class A Shares are subject to an initial sales charge of up to 5.75% and a 12b-1 distribution plan. Class B Shares are subject to a contingent deferred sales charge and a separate 12b-1 distribution plan. The following is a summary of significant accounting policies consistently followed by the Fund.

(1) Securities traded on stock exchanges or in the over-the-counter market are valued at the last sale price on the primary exchange or market on which such securities are traded, as of the close of business on the day the securities are being valued or, lacking any sales, at the mean between the most recent closing bid and asked prices. The Fund values its debt securities at quotations provided by market makers. Securities for which market quotations are not readily available are valued at a fair value as determined in good faith by the Trust's Board of Trustees. Short-term investments are valued at amortized cost (original cost plus amortized discount or accrued interest).

(2) Security transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income on investments is accrued daily. For financial reporting purposes, the debt discounts or premiums resulting from the purchase of debt securities by the Fund are amortized using the straight-line method. Realized gains and losses from security transactions are determined on the basis of identified cost for both financial reporting and federal income tax purposes.

(3) Dividends and other distributions are recorded by the Fund on the ex-dividend date and may be reinvested at net asset value.

Effective September 1, 1993, the Fund adopted Statement of Position 93-2, "Determination, Disclosure, and Financial Statement Presentation of Income, Capital Gains and Return of Capital Distributions by Investment Companies." As a result of this statement, the Fund changed the classification of distributions

to shareholders to better disclose the differences between financial statement amounts and distributions determined and reported in accordance with income tax regulations. Accordingly, the Fund reclassified \$133,421 and \$144,700 to undistributed net investment income and undistributed net realized losses, respectively, from additional paid-in capital. Net investment income, net realized losses and net assets were not affected by this change.

(4) On a daily basis, income, unrealized and realized gains and losses, and expenses which are not class specific are allocated to each class based on their respective relative net assets. Class specific expenses, such as distribution expenses, are applied to the class to which they are attributed.

(5) No provision for federal income taxes has been made since it is the Fund's intention to distribute all of its taxable income and profits to its shareholders and to comply with the requirements applicable to regulated investment companies and the minimum distribution requirements of the Internal Revenue Code. At August 31, 1994, the Fund had a realized capital loss carryforward of approximately \$1,383,000 which will expire as follows: \$569,000 - 1995, \$763,000 - 1996 and \$51,000 - 1998. The amount of capital loss carryforward utilized in any one year may be limited.

(6) The Fund reports custodian fees net of credits and charges resulting from cash positions in the custodial accounts greater than or less than the amounts required to settle portfolio transactions. For the year ended August 31, 1994, these amounts were \$5,977 and \$6,637, respectively.

NOTE B - MANAGEMENT FEE AND OTHER TRANSACTIONS WITH AFFILIATES

The Fund's management fee is payable monthly to Transamerica Fund Management Company (the "Investment Adviser"). The management fee is calculated on the average daily net assets of the Fund at an annual rate of 0.625%. At August 31, 1994, the management fee payable to the Investment Adviser was \$122,403.

The Investment Adviser provides administrative services to the Fund pursuant to an administrative service agreement. During the year ended August 31, 1994, the Fund paid or accrued \$132,005 to the Investment Adviser for these services, of which \$22,436 was payable at August 31, 1994.

During the year ended August 31, 1994, Transamerica Fund Distributors, Inc. (the "Distributor"), an affiliate of the Investment Adviser, as principal underwriter, retained \$56,079 as its portion of the commissions charged on sales of Class A Shares of the Fund. At August 31, 1994, receivables from and payables to the Distributor for Fund share transactions were \$203,916 and \$165,814, respectively.

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NOTES TO FINANCIAL STATEMENTS

Continued

NOTE B (Continued)

The Fund paid no compensation directly to any officer. Certain officers and a trustee of the Trust are affiliated with the Investment Adviser.

During the year ended August 31, 1994, the Fund paid legal fees of \$12,010 to Baker & Botts. A partner with Baker & Botts is an officer of the Trust.

NOTE C - COST, PURCHASES AND SALES OF INVESTMENT SECURITIES

During the year ended August 31, 1994, purchases and sales of securities, other than short-term obligations, aggregated \$463,404,900 and \$382,498,613, respectively. At August 31, 1994, receivables from and payables to brokers for securities sold and purchased were \$4,321,848 and \$4,856,590, respectively.

At August 31, 1994, the identified cost of total investments owned is the same for both financial reporting and federal income tax purposes. At August 31, 1994, the gross unrealized appreciation and gross unrealized depreciation of investments for federal income tax purposes were \$18,406,279 and \$2,328,908, respectively.

NOTE D - PLAN OF DISTRIBUTION

Pursuant to Rule 12b-1 of the Investment Company Act of 1940, the Fund is authorized under separate distribution plans to finance activities related to the distribution of its Class A and Class B Shares (the "Class A Plan" and the "Class B Plan," respectively). The distribution plans, together with the initial sales charge on Class A Shares and the contingent deferred sales charge on Class B Shares, comply with the regulations covering maximum sales charges assessed by mutual funds distributed through securities dealers that are NASD members.

The Class A Plan and the Class B Plan permit each class to make payments to

the Distributor up to 0.25% annually of average daily net assets for certain distribution costs such as service fees paid to dealers, production and distribution of prospectuses to prospective investors, services provided to new and existing shareholders and other distribution related activities. During the year ended August 31, 1994, Class A and Class B made payments to the Distributor of \$301,437 or 0.25% and \$227,427 or 0.25%, respectively, related to the above activities.

The Class B Plan also permits Class B to reimburse the Distributor up to 0.75% annually of average daily net assets for costs related to compensation paid to securities dealers, in place of an initial sales charge to investors, on the sale of Class B Shares. These costs are based upon a commission payment charge of 5% of the value of Class B Shares sold (excluding shares acquired through reinvestment), reduced by the amount of contingent deferred sales charges (CDSC) that have been received by the Distributor on redemptions of Class B Shares. These costs also include a charge of interest (carrying charge) at an annual rate of 1% over the prevailing prime rate to the extent cumulative commission payment charges, plus any previous carrying charges, less CDSC received by the Distributor, have not been paid in full by the Fund. For the year ended August 31, 1994, Class B reimbursed the Distributor \$682,282 or 0.75% for such costs. For the year ended August 31, 1994, the Distributor received \$183,054 in CDSC. At August 31, 1994, the balance of unrecovered costs was \$4,187,781.

At August 31, 1994, Class A had \$146,915 and Class B had \$180,394 payable to the Distributor pursuant to the above distribution plans.

NOTE E - ACQUISITION OF TRANSAMERICA SPECIAL BLUE CHIP FUND

On May 27, 1994, Transamerica Growth and Income Fund acquired all the net assets of Transamerica Special Blue Chip Fund pursuant to a plan of reorganization approved by Transamerica Special Blue Chip Fund shareholders on May 20, 1994. This tax-free reorganization was accomplished by the issuance of 2,382,863 Class B Shares of Transamerica Growth and Income Fund (valued at \$26,592,756) for the 2,645,385 shares of Transamerica Special Blue Chip Fund outstanding at May 27, 1994. Transamerica Special Blue Chip Fund's net assets at that date of \$26,592,756, including \$2,005,978 of unrealized appreciation, were combined with those of Transamerica Growth and Income Fund. The aggregate net assets of Transamerica Growth and Income Fund and Transamerica Special Blue Chip Fund immediately before the acquisition were \$202,440,558 and \$26,592,756, respectively. The combined net assets immediately after the acquisition were \$229,033,314.

NOTES TO FINANCIAL STATEMENTS

Continued

NOTE F - SHARE AND RELATED TRANSACTIONS

A summary of share transactions follows:

<TABLE>
<CAPTION>

	YEAR ENDED AUGUST 31,			
	1994 (1)		1993	
	SHARES	DOLLARS	SHARES	DOLLARS
<S>	<C>	<C>	<C>	<C>
Shares sold - Class A	2,589,934	\$30,320,622	2,180,684	\$25,791,439
Shares sold - Class B	4,698,506	55,098,942	3,731,171	44,199,544
Shares issued in reinvestment of distributions - Class A	268,525	3,107,249	1,067,526	12,066,576
Shares issued in reinvestment of distributions - Class B	152,463	1,763,746	439,526	4,976,190
Shares redeemed - Class A	(1,838,450)	(21,316,096)	(875,449)	(10,256,415)
Shares redeemed - Class B	(2,642,211)	(30,117,713)	(1,194,145)	(14,229,193)
Net increase in shares outstanding	3,228,767	\$38,856,750	5,349,313	\$62,548,141

</TABLE>

(1) Share transactions for this period exclude the exchange of shares by the shareholders of Transamerica Special Blue Chip Fund (see Note E).

The components of net assets at August 31, 1994, are as follows:

<TABLE>
<CAPTION>
<S>

Capital paid-in (unlimited number of shares authorized)	\$224,385,041
---	---------------

Undistributed net investment income	310,216
Accumulated net realized loss on investments	(5,587,275)
Unrealized appreciation of investments	16,077,371

NET ASSETS	\$235,185,353
	=====

</TABLE>

REPORT OF INDEPENDENT AUDITORS

Shareholders and Board of Trustees
Transamerica Growth and Income Fund,
a series of Transamerica Investment Trust

We have audited the accompanying statement of net assets of Transamerica Growth and Income Fund, a series of Transamerica Investment Trust, as of August 31, 1994, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods indicated therein. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of August 31, 1994, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Transamerica Growth and Income Fund, a series of Transamerica Investment Trust, at August 31, 1994, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the indicated periods, in conformity with generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

Houston, Texas
September 23, 1994

[LOGO] ERNST & YOUNG LLP

- One Houston Center - Phone: 713 750 1500
Suite 2400 Fax: 713 750 1501
1221 McKinney Street
Houston, Texas 77010-2007

REPORT OF INDEPENDENT AUDITORS

Shareholders and Board of Trustees
John Hancock Growth and Income Fund,
a series of John Hancock Investment Trust

We have audited the accompanying statement of net assets of John Hancock Growth and Income Fund, formerly Transamerica Growth and Income

Fund, a series of John Hancock Investment Trust, formerly Transamerica Investment Trust, as of August 31, 1994, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods indicated therein. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of August 31, 1994, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of John Hancock Growth and Income Fund, a series of John Hancock Investment Trust at August 31, 1994, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the indicated periods, in conformity with generally accepted accounting principles.

ERNST & YOUNG LLP

September 23, 1994

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Financial Statements

John Hancock Funds - Growth & Income Fund

STATEMENT OF ASSETS AND LIABILITIES
February 28, 1995 (Unaudited)

<TABLE>	
<S>	<C>
ASSETS:	
Investments at value - Note C:	
Common stocks (cost - \$198,261,831)	\$ 218,071,425
Convertible debt (cost - \$3,226,875)	3,062,500
Convertible preferred stocks (cost - \$9,811,106)	8,826,250

	229,960,175
Dividends receivable	910,625
Receivable for investments sold	3,497,283
Receivable for shares sold	58,219
Miscellaneous assets	63,419

Total Assets	234,489,721

LIABILITIES:	
Payable for investments purchased	3,367,385
Payable for shares repurchased	196,306
Overdraft of cash	755,801
Dividend payable	322
Payable to John Hancock Advisers, Inc. and affiliates - Note B	388,297
Accounts payable and accrued expenses	51,221

Total Liabilities	4,759,332

NET ASSETS:	
Capital paid-in	219,073,427
Accumulated net realized loss on investments	(8,892,965)

Net unrealized appreciation of investments	18,660,363
Undistributed net investment income	889,564

Net Assets	\$ 229,730,389
	=====

NET ASSET VALUE PER SHARE:

(Based on net asset values and shares of beneficial interest outstanding - unlimited number of shares authorized with \$0.01 per share par value, respectively)

Class A - \$120,515,470/10,542,878	\$	11.43
		=====
Class B - \$109,214,919/9,534,999	\$	11.45
		=====

MAXIMUM OFFERING PRICE PER SHARE*

Class A - (\$11.43 x 106.10%)	\$	12.13
		=====

</TABLE>

*On single retail sales of less than \$50,000. On sales of \$50,000 or more and on group sales the offering price is reduced.

THE STATEMENT OF ASSETS AND LIABILITIES IS THE FUND'S BALANCE SHEET AND SHOWS THE VALUE OF WHAT THE FUND OWNS, IS DUE AND OWES ON FEBRUARY 28, 1995. YOU'LL ALSO FIND THE NET ASSET VALUE AND THE MAXIMUM OFFERING PRICE PER SHARE AS OF THAT DATE.

THE STATEMENT OF OPERATIONS SUMMARIZES THE FUND'S INVESTMENT INCOME EARNED AND EXPENSES INCURRED IN OPERATING THE FUND. IT ALSO SHOWS NET GAINS (LOSSES) FOR THE PERIOD STATED.

STATEMENT OF OPERATIONS

Six months ended February 28, 1995 (Unaudited)

<TABLE>

<S>	<C>
INVESTMENT INCOME:	
Dividends	\$ 3,668,878
Interest	113,436

	3,782,314

Expenses:	
Investment management fee - Note B	693,010
Distribution/service fee - Note B	
Class A	141,426
Class B	505,225
Transfer agent fee	293,672
Custodian fee	63,078
Registration and filing fees	53,183
Administration fee	49,105
Auditing fee	45,145
Trustees' fees	16,652
Legal fees	10,568
Miscellaneous	8,090
Printing	5,182
Advisory board fee	3,210

Total Expenses	1,887,546

Net Investment Income	1,894,768

Realized and Unrealized Gain (Loss) on Investments

Net realized loss on investments sold	(3,305,690)
Change in net unrealized appreciation/depreciation of investments	2,582,992

Net Realized and Unrealized Loss on Investments	(722,698)

Net Increase in Net Assets Resulting from Operations	\$ 1,172,070
	=====

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Financial Statements

John Hancock Funds - Growth & Income Fund

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

	SIX MONTHS ENDED FEBRUARY 28, 1995 (UNAUDITED)	YEAR ENDED AUGUST 31, 1994
	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS		
FROM OPERATIONS:		
Net investment income	\$ 1,894,768	\$ 5,248,852
Net realized loss on investments sold	(3,305,690)	(4,108,702)
Change in net unrealized appreciation/depreciation of investments	2,582,992	(6,227,126)
Net Increase (Decrease) in Net Assets Resulting from Operations	1,172,070	(5,086,976)
DISTRIBUTIONS TO SHAREHOLDERS:		
Dividends from net investment income:		
Class A - (\$0.0842 and \$0.3723 per share, respectively)	(889,784)	(3,841,209)
Class B - (\$0.0432 and \$0.2857 per share, respectively)	(425,636)	(2,125,768)
Total Distributions to Shareholders	(1,315,420)	(5,966,977)
FROM FUND SHARE TRANSACTIONS-- NET*	(5,311,614)	65,449,506
NET ASSETS:		
Beginning of period	235,185,353	180,789,800
End of period (including undistributed net investment income of \$889,564 and \$310,216, respectively)	\$ 229,730,389	\$ 235,185,353

</TABLE>

* ANALYSIS OF FUND SHARE TRANSACTIONS:

<TABLE>

<CAPTION>

	SIX MONTHS ENDED FEBRUARY 28, 1995 (UNAUDITED)		YEAR ENDED AUGUST 31, 1994	
	SHARES	AMOUNT	SHARES	AMOUNT
	<C>	<C>	<C>	<C>
CLASS A				
Shares sold	987,172	\$ 10,927,632	2,589,934	\$ 30,320,622
Shares issued to shareholders in reinvestment of distributions	67,621	736,393	268,525	3,107,249
	1,054,793	11,664,025	2,858,459	33,427,871
Less shares repurchased	(1,120,013)	(12,282,484)	(1,838,450)	(21,316,096)
Net increase (decrease)	(65,220)	(\$ 618,459)	1,020,009	\$ 12,111,775
CLASS B				
Shares sold	989,824	\$ 10,896,941	4,698,506	\$ 55,098,942
Shares issued to shareholders in reinvestment of distributions	32,793	358,651	152,463	1,763,746
Fund shares issued for the net assets of Transamerica Special Blue Chip Fund - Note D	--	--	2,382,863	26,592,756
	1,022,617	11,255,592	7,233,832	83,455,444
Less shares repurchased	(1,453,488)	(15,948,747)	(2,642,211)	(30,117,713)
Net increase (decrease)	(430,871)	(\$ 4,693,155)	4,591,621	\$ 53,337,731

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Financial Statements

John Hancock Funds - Growth & Income Fund

<TABLE>

FINANCIAL HIGHLIGHTS

Selected data for a share of beneficial interest outstanding throughout the period indicated: investment returns, key ratios and supplemental data are as follows:

<CAPTION>

	YEAR ENDED AUGUST 31,		
	SIX MONTHS ENDED FEBRUARY 28, 1995 (UNAUDITED)	1994	1993
<S>	<C>	<C>	<C>
CLASS A			
PER SHARE OPERATING PERFORMANCE			
Net Asset Value, Beginning of Period	\$ 11.42	\$ 12.08	\$ 12.43
Net Investment Income	0.11	0.32 (a)	0.40 (a)
Net Realized and Unrealized Gain (Loss) on Investments ...	(0.02)	(0.61)	1.12
Total from Investment Operations	0.09	(0.29)	1.52
Less Distributions:			
Dividends from Net Investment Income	(0.08)	(0.37)	(0.42)
Distributions from Net Realized Gain on Investments Sold	--	--	(1.45)
Total Distributions	(0.08)	(0.37)	(1.87)
Net Asset Value, End of Period	\$ 11.43	\$ 11.42	\$ 12.08
Total Investment Return at Net Asset Value	0.86% (b)	(2.39%)	13.64%

RATIOS AND SUPPLEMENTAL DATA

Net Assets, End of Period (000's omitted)	\$120,515	\$121,160	\$115,780
Ratio of Expenses to Average Net Assets	1.34%*	1.31%	1.29%
Ratio of Net Investment Income to Average Net Assets	2.06%*	2.82%	3.43%
Portfolio Turnover Rate	53%	195%	107%

</TABLE>

<TABLE>

<CAPTION>

	YEAR ENDED AUGUST 31,		
	1992	1991	1990
<S>	<C>	<C>	<C>
CLASS A			
PER SHARE OPERATING PERFORMANCE			
Net Asset Value, Beginning of Period	\$ 11.77	\$ 9.87	\$ 10.19
Net Investment Income	0.32 (a)	0.20	0.20
Net Realized and Unrealized Gain (Loss) on Investments ...	0.89	2.07	(0.18)
Total from Investment Operations	1.21	2.27	0.02
Less Distributions:			
Dividends from Net Investment Income	(0.25)	(0.19)	(0.27)
Distributions from Net Realized Gain on Investments Sold	(0.30)	(0.18)	(0.07)
Total Distributions	(0.55)	(0.37)	(0.34)
Net Asset Value, End of Period	\$ 12.43	\$ 11.77	\$ 9.87
Total Investment Return at Net Asset Value	10.47%	23.80%	0.18%

RATIOS AND SUPPLEMENTAL DATA

Net Assets, End of Period (000's omitted)	\$89,682	\$77,461	\$ 63,150
Ratio of Expenses to Average Net Assets	1.34%	1.38%	1.29%
Ratio of Net Investment Income to Average Net Assets	2.75%	1.90%	1.96%
Portfolio Turnover Rate	119%	70%	69%

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Financial Statements

John Hancock Funds - Growth & Income Fund

FINANCIAL HIGHLIGHTS (continued)

	SIX MONTHS ENDED	YEAR ENDED AUGUST 31,			PERIOD FROM
	FEBRUARY 28, 1995				AUGUST 22, 1991
	(UNAUDITED)	1994	1993	1992	1991
	<C>	<C>	<C>	<C>	<C>
<S>					
CLASS B					
PER SHARE OPERATING PERFORMANCE					
Net Asset Value, Beginning of Period.....	\$ 11.44	\$ 12.10	\$ 12.44	\$ 11.77	\$ 11.52
Net Investment Income.....	0.07	0.24 (a)	0.30 (a)	0.23 (a)	...
Net Realized and Unrealized Gain (Loss) on Investments..	(0.02)	(0.61)	1.12	0.89	0.25
Total from Investment Operations.....	0.05	(0.37)	1.42	1.12	0.25
Less Distributions					
Dividends from Net Investment Income.....	(0.04)	(0.29)	(0.31)	(0.15)	...
Distributions from Net Realized Gain on Investments Sold.....	(1.45)	(0.30)	...
Total Distributions.....	(0.04)	(0.29)	(1.76)	(0.45)	...
Net Asset Value, End of Period.....	\$ 11.45	\$ 11.44	\$ 12.10	\$ 12.44	\$ 11.77
Total Investment Return at Net Asset Value.....	0.48% (b)	(3.11%)	12.64%	9.67%	2.17% (b)
RATIOS AND SUPPLEMENTAL DATA					
Net Assets, End of Period (000's omitted).....	\$109,215	\$114,025	\$65,010	\$29,826	\$ 7,690
Ratio of Expenses to Average Net Assets.....	2.09%*	2.06%	2.19%	2.07%	2.19%*
Ratio of Net Investment Income to Average Net Assets ...	1.31%*	2.07%	2.53%	2.02%	1.46%*
Portfolio Turnover Rate.....	53%	195%	107%	119%	70%
</TABLE>					

* On an annualized basis.

(a) On average month end shares outstanding.

(b) Not annualized.

THE FINANCIAL HIGHLIGHTS SUMMARIZES THE IMPACT OF THE FOLLOWING FACTORS ON A SINGLE SHARE FOR THE PERIOD INDICATED: THE NET INVESTMENT INCOME, GAINS (LOSSES), DISTRIBUTIONS AND TOTAL INVESTMENT RETURN OF THE FUND. IT SHOWS HOW THE FUND'S NET ASSET VALUE FOR A SHARE HAS CHANGED SINCE THE END OF THE PREVIOUS PERIOD. ADDITIONALLY, IMPORTANT RELATIONSHIPS BETWEEN SOME ITEMS PRESENTED IN THE FINANCIAL STATEMENTS ARE EXPRESSED IN RATIO FORM.

SEE NOTES TO FINANCIAL STATEMENTS.

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Financial Statements

John Hancock Funds - Growth & Income Fund

SCHEDULE OF INVESTMENTS
February 28, 1995 (Unaudited)

ISSUER, DESCRIPTION	NUMBER OF SHARES	MARKET VALUE
	<C>	<C>
<S>		
COMMON STOCKS		
AEROSPACE (14.75%)		
Gencorp, Inc.....	200,000*	\$ 2,700,000
General Dynamics Corp.....	100,000*	4,712,500
McDonnell Douglas Corp.....	168,000*	9,408,000
Northrop Grumman Corp.....	250,000	11,093,750
United Technologies Corp.....	90,000	5,973,750

		33,888,000

AUTOMOBILE/TRUCK (1.86%)		
General Motors Corp.....	100,000*	4,262,500

BANKS (10.08%)		
Banc One Corp.....	150,000	4,406,250
Hibernia Corp. (Class A).....	700,000	5,425,000
J.P. Morgan & Co., Inc.....	135,000	8,707,500
Midlantic Corp., Inc.....	150,000	4,612,500

		23,151,250

BEVERAGES (2.15%)		
Coca-Cola Co.....	90,000	4,950,000

BROADCASTING (1.68%)		
CBS, Inc.....	60,000	3,870,000

CHEMICALS (3.39%)		
Eastman Chemical Co.....	80,000	4,380,000
Monsanto Co.....	43,000*	3,407,750

		7,787,750

COMPUTERS (4.67%)		
Hewlett-Packard Co.....	50,000	5,750,000
Unisys Corp.**.....	560,000	4,970,000

		10,720,000

DIVERSIFIED OPERATIONS (5.72%)		
AlliedSignal, Inc.....	118,000	4,484,000
TRW, Inc.....	79,400	5,220,550
Warner-Lambert Co.....	45,000*	3,436,875

		13,141,425

DRUGS (4.78%)		
Pfizer, Inc.....	76,000	6,289,000
Schering-Plough Corp.....	60,000	4,702,500

		10,991,500

FINANCE (3.92%)		
Edwards (A.G.), Inc.....	110,000*	2,475,000
Household International, Inc.	65,000*	2,843,750
Student Loan Marketing Association	100,000	3,687,500

		9,006,250

</TABLE>

THE SCHEDULE OF INVESTMENTS IS A COMPLETE LIST OF ALL SECURITIES OWNED BY THE GROWTH AND INCOME FUND ON FEBRUARY 28, 1995. IT'S DIVIDED INTO THREE MAIN CATEGORIES: COMMON STOCKS, CONVERTIBLE DEBT AND CONVERTIBLE PREFERRED STOCKS. THE INVESTMENTS ARE FURTHER BROKEN DOWN BY INDUSTRY GROUPS.

<TABLE>		
<S>		
	<C>	<C>
FOODS (3.34%)		
CPC International, Inc.....	70,000	\$ 3,745,000
Heinz (H.J.) Co.....	100,000	3,937,500

		7,682,500

HOTELS & MOTELS (1.99%)		
Hilton Hotels Corp.....	65,000*	4,566,250

INSURANCE (2.85%)		
Aetna Life & Casualty Co.....	65,000*	3,493,750
Alexander & Alexander Services, Inc.	140,000	3,045,000

		6,538,750

LEISURE & RECREATION (2.32%)		
Walt Disney Co.....	100,000	5,337,500

MEDICAL/DENTAL (2.57%)		
Bausch & Lomb, Inc.....	65,000*	2,161,250
Baxter International, Inc.....	120,000*	3,735,000

		5,896,250

OFFICE EQUIP & SUPPLIES (1.63%)		
Avery Dennison Corp.....	100,000	3,750,000

OIL & GAS (3.03%)		
Atlantic Richfield Co.....	30,000	3,288,750
Occidental Petroleum Corp.....	185,000*	3,676,875

		6,965,625

PAPER (2.73%)		
Federal Paper Board Co.....	150,000	4,462,500
Kimberly-Clark Corp.....	35,000*	1,820,000

		6,282,500

PHOTO EQUIPMENT (4.11%)		
Eastman Kodak Co.....	185,000	9,435,000

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Financial Statements
John Hancock Funds - Growth & Income Fund

<TABLE>		
<CAPTION>		
ISSUER, DESCRIPTION	NUMBER OF SHARES	MARKET VALUE
-----	-----	-----
<S>	<C>	<C>
PUBLISHING (3.61%)		
Time Warner, Inc.....	215,000	\$ 8,304,375

RETAIL (5.05%)		
Federated Department Stores, Inc.**..	170,000	3,740,000
J.C. Penney Co., Inc.....	85,000	3,644,375
Kmart Corp.....	330,000*	4,207,500

		11,591,875

SOAP & CLEANING PREPARATIONS (1.45%)		
Clorox Co.....	55,000	3,320,625

TELECOMMUNICATIONS (1.76%)		
AT & T Corp.....	78,000	4,036,500

TOBACCO (3.34%)		
Philip Morris Cos., Inc.....	80,000	4,860,000
RJR Nabisco Holdings Corp.....	500,000*	2,812,500

		7,672,500

UTILITIES (2.14%)		
Entergy Corp.....	220,000	4,922,500

		4,922,500

	TOTAL COMMON STOCKS	
	(Cost \$198,261,831)	(94.92%) 218,071,425

</TABLE>

<TABLE>		
<CAPTION>		
ISSUER, DESCRIPTION	UNITS	MARKET VALUE
-----	-----	-----
<S>	<C>	<C>
CONVERTIBLE DEBT		
OIL & GAS (1.33%)		
Atlantic Richfield Co., 9.00%...	125,000*	\$3,062,500

	TOTAL CONVERTIBLE DEBT	
	(Cost \$3,226,875)	(1.33%) 3,062,500

</TABLE>

<TABLE>		
<CAPTION>		
	NUMBER OF SHARES	

<S>	<C>	<C>
CONVERTIBLE PREFERRED STOCKS		

STEEL (1.21%)		
AK Steel Holding Corp., 7.00%, SAILS...	100,000*	2,775,000

TOBACCO (2.64%)		
RJR Nabisco Holdings, \$0.6012, Depository Shares, Ser C.....	1,030,000	6,051,250

TOTAL CONVERTIBLE PREFERRED STOCKS		
(Cost \$9,811,106)	(3.85%)	8,826,250

TOTAL INVESTMENTS	(100.10%)	\$229,960,175
	=====	=====

</TABLE>

- * Securities, other than short-term investments, newly added to the portfolio during the period ended February 28, 1995.
- ** Non-income producing security.

SEE NOTES TO FINANCIAL STATEMENTS.

Notes to Financial Statements

John Hancock Funds - Growth & Income Fund

(UNAUDITED)

NOTE A --

ACCOUNTING POLICIES

John Hancock Investment Trust, (the "Trust") is a diversified, open-end management investment company, registered under the Investment Company Act of 1940. John Hancock Growth and Income Fund (the "Fund") is the only series of the Trust presently issuing shares. The Trustees may authorize the creation of additional Funds from time to time to satisfy various investment objectives. Effective December 22, 1994, the Trust and the Fund changed names from Transamerica Investment Trust and Transamerica Growth and Income Fund, respectively.

The Trustees have authorized the issuance of two classes of the Fund, designated as Class A and Class B. The shares of each class represent an interest in the same portfolio of investments of the Fund and have equal rights to voting, redemptions, dividends, and liquidation, except that certain expenses, subject to the approval of the Trustees, may be applied differently to each class of shares in accordance with current regulations of the Securities and Exchange Commission and the Internal Revenue Service. Shareholders of a class, which bears distribution/service expenses under the terms of a distribution plan, have exclusive voting rights regarding such distribution plan.

Significant accounting policies of the Fund are as follows:
VALUATION OF INVESTMENTS Securities in the Fund's portfolio are valued on the basis of market quotations, valuations provided by independent pricing services or, at fair value as determined in good faith in accordance with procedures approved by the Trustees. Short-term debt investments maturing within 60 days are valued at amortized cost which approximates market value.

JOINT REPURCHASE AGREEMENT Pursuant to an exemptive order issued by the Securities and Exchange Commission, the Fund, along with other registered investment companies having a management contract with John Hancock Advisers, Inc. (the "Adviser"), a wholly-owned subsidiary of The Berkeley Financial Group, may participate in a joint repurchase agreement transaction. Aggregate cash balances are invested in one or more repurchase agreements, whose underlying securities are obligations of the U.S. government and/or its agencies. The Fund's custodian bank receives delivery of the underlying securities for the joint account on the Fund's behalf. The Adviser is responsible for ensuring that the agreement is fully collateralized at all times.

INVESTMENT TRANSACTIONS Investment transactions are recorded as of the date of purchase, sale or maturity. Net realized gains and losses on sales of investments are determined on the identified cost basis.

FEDERAL INCOME TAX The Fund's policy is to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute all of its taxable income, including any net realized gain on investment, to its shareholders. Therefore, no federal income tax provision is required. For federal income tax purposes, the Fund has \$1,383,000 of capital loss carryforwards available, to the extent provided by regulations, to offset future net realized capital gains. If such carryforwards are used by the Fund, no capital gain distributions will be made. The carryforwards expire as follows: August 31, 1995 - \$569,000, August 31, 1996 - \$763,000, and August 31, 1998 - \$51,000. Additionally, net capital losses of \$4,204,218 attributable to security transactions occurring after October 31, 1993 are treated as arising on the

first day (September 1, 1994) of the Fund's next taxable year.

DIVIDENDS, DISTRIBUTIONS AND INTEREST Dividend income on investment securities is recorded on the ex-dividend date or, in the case of some foreign securities, on the date thereafter when the Fund is made aware of the dividend. Interest income on investment securities is recorded on the accrual basis. Foreign income may be subject to foreign withholding taxes which are accrued as applicable.

The Fund records all distributions to shareholders from net investment income and realized gains on the ex-dividend date. Such distributions are determined in conformity with income tax regulations, which may differ from generally accepted accounting principles. Dividends paid by the Fund with respect to each class of shares will be calculated in the same manner, at the same time and will be in the

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Notes to Financial Statements
John Hancock Funds - Growth & Income Fund

same amount, except for the effect of expenses that may be applied differently to each class as explained previously.

CLASS ALLOCATIONS Income, common expenses and realized and unrealized gains (losses) are determined at the Fund level and allocated daily to each class of shares based on the appropriate net assets of the respective classes. Distribution/service fees if any, are calculated daily at the class level based on the appropriate net assets of each class and the specific expense rate(s) applicable to each class.

NOTE B --
MANAGEMENT FEE, ADMINISTRATIVE SERVICES AND TRANSACTIONS WITH AFFILIATES AND OTHERS

On December 22, 1994, John Hancock Advisers, Inc. (the "Adviser"), a wholly owned subsidiary of The Berkeley Financial Group, became the investment manager for the Fund with approval of the Trustees and shareholders of the Fund. The Fund's former investment manager was Transamerica Fund Management Company ("TFMC").

Under the present investment management contract, the Fund pays a monthly management fee to the Adviser for a continuous investment program equivalent, to 0.625% of the Fund's average daily net asset value. This fee structure is consistent with the former agreement with TFMC. For the period ended February 28, 1995, the advisory fee earned by the Adviser and TFMC amounted to \$231,003 and \$462,007, respectively, resulting in a total fee of \$693,010.

The Adviser and TFMC, for their respective periods, provided administrative services to the Fund pursuant to an administrative service agreement through January 16, 1995 on which day the agreement was terminated.

In the event normal operating expenses of the Fund, exclusive of certain expenses prescribed by state law, are in excess of the most restrictive 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 additional arrangements necessary to eliminate any remaining excess expenses. The current limits are 2.5% of the first \$30,000,000 of the Fund's average daily net asset value, 2.0% of the next \$70,000,000 and 1.5% of the remaining average daily net asset value.

On December 22, 1994 John Hancock Funds, Inc. ("JH Funds"), a wholly-owned subsidiary of the Adviser, became the principal underwriter of the Fund. Prior to this date, Transamerica Fund Distributors, Inc. ("TFD") served as the principal underwriter and distributor of the Fund. For the period ended February 28, 1995, JH Funds and TFD received net sales charges of \$793,191 with regard to sales of Class A shares. Out of this amount, \$59,556 was retained and used for printing prospectuses, advertising, sales literature and other purposes, \$733,635 was paid as sales commissions to unrelated broker-dealers and nothing was paid as sales commissions to sales personnel of John Hancock Distributors, Inc. ("Distributors"), Tucker Anthony, Incorporated ("Tucker Anthony") and Sutro & Co., Inc. ("Sutro"). The Adviser's indirect parent, John Hancock Mutual Life Insurance Company, is the indirect sole shareholder of Distributors and John Hancock Freedom Securities Corporation and its subsidiaries, which include Tucker Anthony and Sutro, which are broker-dealers.

Class B shares which are redeemed within six years of purchase will be subject to a contingent deferred sales charge ("CDSC") at declining rates beginning at 5.0% of the lesser of the current market value at the time of redemption or the original purchase cost of the shares being redeemed. Proceeds from the CDSC are paid to JH Funds, formerly TFD, and are used in whole or in part to defray its expenses related to providing distribution related services to the Fund in connection with the sale of Class B shares. For the period ended February 28, 1995, contingent deferred sales charges amounted to \$242,975.

In addition, to compensate JH Funds, for the services it provides as distributor of shares of the Fund, the Fund has adopted a Distribution Plan with respect to Class A and Class B pursuant to Rule 12b-1 under the Investment Company Act of 1940. Accordingly, the Fund will make payments for distribution and service expenses which in total will not exceed on an annual basis 0.25% of the Fund's average daily net assets attributable to Class A shares and 1.00%

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Notes to Financial Statements
John Hancock Funds - Growth & Income Fund

of the Fund's average daily net assets attributable to Class B shares, to reimburse for its distribution/service costs. Up to a maximum of 0.25% of such payments may be service fees as defined by the amended Rules of Fair Practice of the National Association of Securities Dealers which became effective July 7, 1993. Under the amended Rules of Fair Practice, curtailment of a portion of the Fund's 12b-1 payments could occur under certain circumstances. This fee structure and plan is similar to the former arrangement with TFD.

The Board of Trustees approved a shareholder servicing agreement between the Fund and John Hancock Investors Corporation ("Investor Services") for the period between December 22, 1994 and May 12, 1995, inclusive. Investor Services provides transfer agency services (processing telephone transactions) on behalf of the Fund.

A partner of Baker & Botts was an officer of the Trust, until December 22, 1994. During the period ended February 28, 1995, legal fees paid to Baker & Botts amounted to \$5,000.

Mr. Edward J. Boudreau, Jr. is a director and officer of the Adviser, and its affiliates as well as Trustee of the Fund. The compensation of unaffiliated Trustees is borne by the Fund. Effective with the fees paid for 1995, the unaffiliated Trustees may elect to defer for tax purposes their receipt of this compensation under the John Hancock Group of Funds Deferred Compensation Plan. The Fund will make investments into other John Hancock Funds, as applicable, to cover its liability as regards to the deferred compensation. Investments to cover the Fund's deferred compensation liability will be recorded on the Fund's books as an other asset. The deferred compensation liability will be marked to market on a periodic basis and income earned by the investment will be recorded on the Fund's books.

The Fund has an independent advisory board composed of certain members of the former Transamerica Board of Trustees who provide advice to the current Trustees in order to facilitate a smooth management transition for which the Fund pays the advisory board and its counsel a fee.

NOTE C --
INVESTMENT TRANSACTIONS

Purchases and proceeds from sales of securities, other than short-term obligations, during the period ended February 28, 1995 aggregated \$120,525,764 and \$125,134,828, respectively.

The cost of investments owned at February 28, 1995 for Federal income tax purposes was \$211,299,812. Gross unrealized appreciation and depreciation of investments aggregated \$22,711,884, and \$4,051,521, respectively, resulting in net unrealized appreciation of \$18,660,363.

NOTE D --
ACQUISITION OF TRANSAMERICA SPECIAL BLUE CHIP FUND

On May 27, 1994, John Hancock Growth and Income Fund acquired all the net assets of Transamerica Special Blue Chip Fund pursuant to a plan of reorganization approved by Transamerica Special Blue Chip Fund shareholders on May 20, 1994. This tax-free reorganization was accomplished by the issuance of 2,382,863 Class B Shares of John Hancock Growth and Income Fund (valued at \$26,592,756) for the 2,645,385 shares of Transamerica Special Blue Chip Fund outstanding at May 27, 1994. Transamerica Special Blue Chip Fund's net assets at that date of \$26,592,756, including \$2,005,978 of unrealized appreciation, were combined with those of John Hancock Growth and Income Fund. The aggregate net assets of John Hancock Growth and Income Fund and Transamerica Special Blue Chip Fund immediately after the acquisition were \$229,033,314.

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Additional Information
John Hancock Funds - Growth & Income Fund

On December 16, 1994, a special meeting of John Hancock (formerly Transamerica) Investment Trust (the "Trust") in respect of John Hancock

(formerly Transamerica) Growth and Income Fund (the "Fund") was held involving the election of trustees and certain other matters concerning the Fund.

Specifically, shareholders first approved a new investment management agreement between the Trust on behalf of the Fund and John Hancock Advisers, Inc. on substantially similar terms to the prior investment management agreement, to take effect on December 22, 1994, the date of the consummation of the acquisition of Transamerica Fund Management Company by The Berkeley Financial Group. The shareholder votes tallied were 9,768,389 FOR, 206,169 AGAINST and 414,288 ABSTAINING.

The shareholders next approved new Plans of Distribution for each Class A and Class B Shares of the Fund, also effective on December 22, 1994 and also upon substantially the same terms as the prior Plans of Distribution. The Class A Shareholder votes tallied were 5,669,928 FOR, 185,398 AGAINST, 302,148 ABSTAINING and the Class B Shareholder votes tallied were 3,950,260 FOR, 66,048 AGAINST and 215,065 ABSTAINING.

The shareholders also voted to ratify the selection of Ernst & Young LLP as independent auditors for the Fund for the fiscal year ending August 31, 1995, and the votes were tallied as follows: 10,148,779 FOR, 65,216 AGAINST and 65,216 ABSTAINING.

Lastly, the following trustees of the Fund were elected to serve until their respective successors shall become duly elected and qualified, with the votes tabulated as indicated:

<TABLE>
<CAPTION>

NAME OF TRUSTEE -----	FOR ---	WITHHOLD -----
<S>	<C>	<C>
Edward J. Boudreau, Jr.	8,806,833	1,734,030
James F. Carlin	8,811,848	1,729,014
William H. Cunningham	8,815,857	1,725,005
Charles L. Ladner	8,815,544	1,725,319
Leo E. Linbeck, Jr.....	8,818,554	1,722,309
Patricia P. McCarter	8,813,806	1,727,057
Steven R. Pruchansky.....	8,806,874	1,733,989
Norman H. Smith.....	8,802,016	1,738,846
John P. Toolan.....	8,811,073	1,729,790

</TABLE>

JOHN HANCOCK INVESTMENT TRUST

PART C.

OTHER INFORMATION

ITEM 24. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements included in the Registration Statement:

John Hancock Growth and Income Fund

Statement of Assets and Liabilities as of February 28, 1995. (unaudited)
Statement of Operations of the year ended February 28, 1995 (unaudited).
Statement of changes in Net Asset for each of the two years ended
February 28, 1995 (unaudited).
Notes to Financial Statements.
Financial Highlights for each of the 10 years ended February 28, 1995
(unaudited).
Schedule of Investments as of February 28, 1995 (unaudited).

Statement of Assets and Liabilities as of August 31, 1994.
Statement of Operations of the year ended August 31, 1994.
Statement of changes in Net Asset for each of the two years ended August 31.
Notes to Financial Statements.
Financial Highlights for each of the 10 years ended August 31, 1994.
Auditor's Report Schedule of Investments as of August 31, 1994.

(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 Registrant.

<TABLE>
ITEM 26. NUMBER OF HOLDERS OF SECURITIES

As of April 6, 1995, the number of record holders of shares of the Registrant was as follows:

<CAPTION>

TITLE OF CLASS	NUMBER OF RECORD HOLDERS
<S>	<C>
Class A Shares -	11,686
Class B Shares -	12,251

</TABLE>

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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.

(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

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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, the Distribution Agreement, the 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 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 Investment 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 Fund, John Hancock Capital Growth Fund, John Hancock Current Interest, John Hancock Series, Inc., John Hancock Tax-Free Bond Fund, John Hancock California Tax-Free Income Fund, John Hancock Capital Series, John Hancock Limited Term Government Fund, John Hancock Tax-Exempt Income Fund, John Hancock Sovereign Investors Fund, Inc., John Hancock Cash Management Fund, 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.

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<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> Chairman	<C> Chairman
Robert H. Watts John Hancock Place P.O. Box 111 Boston, Massachusetts	Director and Senior Vice President	None
C. Troy Shaver, Jr. 101 Huntington Avenue Boston, Massachusetts	President, Chief Executive Officer and Director	None
Robert G. Freedman 101 Huntington Avenue Boston, Massachusetts	Director	Vice President, Chief Investment Officer
Stephen M. Blair 101 Huntington Avenue Boston, Massachusetts	Executive Vice President- Sales	None
Thomas H. Drohan 101 Huntington Avenue Boston, Massachusetts	Senior Vice President	Senior Vice President and Secretary

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

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<TABLE>

<CAPTION>

NAME AND PRINCIPAL ----- BUSINESS ADDRESS -----	POSITIONS AND OFFICES ----- WITH UNDERWRITER -----	POSITIONS AND OFFICES ----- WITH REGISTRANT -----
<S> William S. Nichols 101 Huntington Avenue Boston, Massachusetts	<C> Senior Vice President	<C> None
John A. Morin 101 Huntington Avenue Boston, Massachusetts	Vice President	Vice President
Susan S. Newton 101 Huntington Avenue Boston, Massachusetts	Vice President and Secretary	Vice President, Assistant Secretary and Compliance Officer
Christopher M. Meyer 101 Huntington Avenue Boston, Massachusetts	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

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<TABLE>

<S>

Richard O. Hansen John Hancock Place P.O. Box 111 Boston, Massachusetts	<C> Director	<C> None
John M. DeCiccio John Hancock Place P.O. Box 111 Boston, Massachusetts	Director	None
Foster Aborn	Director	None

John Hancock Place
P.O. Box 111
Boston, Massachusetts

Hugh A. Dunlap, Jr. 101 Huntington Avenue Boston, Massachusetts	Director	None
---	----------	------

William C. Fletcher 53 State Street Boston, Massachusetts	Director	None
---	----------	------

James V. Bowhers 101 Huntington Avenue Boston, Massachusetts	Executive Vice President	None
--	--------------------------	------

</TABLE>

(c) None.

ITEM 30. LOCATION OF ACCOUNTS AND RECORDS

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 the Registrant's shareholders and the physical possession of its securities, may be maintained pursuant to Rule 31a-3 at the main offices of the Registrant's Transfer Agent and Custodian.

ITEM 31. MANAGEMENT SERVICES

Not applicable.

ITEM 32. UNDERTAKINGS

(a) Not Applicable

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(b) Not Applicable

(c) The 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) The 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.

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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 8th day of May, 1995.

JOHN HANCOCK INVESTMENT TRUST

By: _____*

Edward J. Boudreau, Jr.
Chairman and Chief Executive Officer

<TABLE>

Pursuant to the requirements of the Securities Act of 1933, the Registration Statement has been signed below by the following persons in

the capacities and on the dates indicated.

<CAPTION>

SIGNATURE -----	TITLE -----	DATE -----
<S> * ----- Edward J. Boudreau, Jr.	<C> Chairman and Chief Executive Officer (Principal Executive Officer)	<C>
/s/James B. Little ----- James B. Little	Senior Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	May 8, 1995
* ----- James F. Carlin	Trustee	
* ----- William H. Cunningham	Trustee	
* ----- Charles L. Ladner </TABLE>	Trustee	

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<TABLE>

<CAPTION>

SIGNATURE -----	TITLE -----	DATE -----
<S> * ----- Leo E. Linbeck, Jr.	<C> Trustee	<C>
* ----- Patricia P. McCarter	Trustee	
* ----- Steven R. Pruchansky	Trustee	
* ----- Norman H. Smith	Trustee	
* ----- John P. Toolan	Trustee	
*By: /s/Thomas H. Drohan ----- Thomas H. Drohan, Attorney-in-Fact		May 8, 1995

</TABLE>

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock Capital Growth Fund, John Hancock Investment Trust, John Hancock California Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 13th day of December, 1994.

/s/William H. Cunningham

William H. Cunningham

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock Capital Growth Fund, John Hancock Investment Trust, John Hancock California Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 22nd day of December, 1994.

/s/Norman H. Smith

Norman H. Smith

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock

Capital Growth Fund, John Hancock Investment Trust, John Hancock California Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 22nd day of December, 1994.

/s/James F. Carlin

James F. Carlin

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock Capital Growth Fund, John Hancock Investment Trust, John Hancock California Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 22nd day of December, 1994.

/s/Charles L. Ladner

Charles L. Ladner

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock Capital Growth Fund, John Hancock Investment Trust, John Hancock California Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond

Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 22nd day of December, 1994.

/s/John P. Toolan

John P. Toolan

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock Capital Growth Fund, John Hancock Investment Trust, John Hancock California Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 22nd day of December, 1994.

/s/ Steven R. Pruchansky

Steven R. Pruchansky

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock Capital Growth Fund, John Hancock Investment Trust, John Hancock California

Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 22nd day of December, 1994.

/s/ Leo E. Linbeck, Jr.

Leo E. Linbeck, Jr.

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock Capital Growth Fund, John Hancock Investment Trust, John Hancock California Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 22nd day of December, 1994.

/s/ Patricia P. McCarter

Patricia P. McCarter

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POWER OF ATTORNEY

The undersigned Trustee of John Hancock Current Interest, John Hancock

Capital Growth Fund, John Hancock Investment Trust, John Hancock California Tax-Free Income Fund, John Hancock Tax-Free Bond Fund and John Hancock Bond Fund, (each a "Trust"), and Director of John Hancock Series, Inc. and John Hancock Cash Reserve, Inc. (each a "Corporation"), does hereby severally constitute and appoint Edward J. Boudreau, Jr., Thomas H. Drohan, Robert G. Freedman and James B. Little, and each acting singly, to be my true, sufficient and lawful attorneys, with full power to each of them, and each acting singly, to sign for me, in my name and in the capacity indicated below, any Registration Statement on Form N-1A and any Registration Statement on Form N-14 to be filed by the Trust or the Corporation under the Investment Company Act of 1940, as amended (the "1940 Act"), and under the Securities Act of 1933, as amended (the "1933 Act"), and any and all amendments to said Registration Statements, with respect to the offering of its shares of beneficial interest and any and all other documents and papers relating thereto, and generally to do all such things in my name and on my behalf in the capacity indicated to enable the Trust or the Corporation to comply with the 1940 Act and the 1933 Act, and all requirements of the Securities and Exchange Commission thereunder, hereby ratifying and confirming my signature as it may be signed by said attorneys or each of them to any such Registration Statements and any and all amendments thereto.

IN WITNESS WHEREOF, I have hereunder set my hand on this Instrument the 22nd day of December, 1994.

/s/ Edward J. Boudreau, Jr.

Edward J. Boudreau, Jr.

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JOHN HANCOCK INVESTMENT TRUST

(File Nos. 2-10156; 811-00560)

INDEX TO EXHIBITS

- (1) (a) Declaration of Trust.*
(b) Amendment to Declaration of Trust.**
(c) Amendment to Declaration of Trust.***
(d) Amendment to Declaration of Trust.****
- (2) Amended By-laws.+
- (3) Not Applicable.
- (4) Form of Class A Share and Class B Share Certificates for Growth and Income Fund.****
- (5) (a) Investment Advisory Agreement between John Hancock Advisers, Inc. and the Registrant on behalf of Growth and Income Fund.+
(b) Amended and Restated Administrative Services Agreement among Transamerica Fund Management Company, Transamerica Funds Distributor, Inc., and the Registrant on behalf of Growth and Income Fund.+
- (6) (a) Distribution Agreement between the Registrant and John Hancock Broker Distribution Services, Inc.+
(b) Form of Soliciting Dealer Agreement between John Hancock Funds, Inc. and the John Hancock funds.+
(c) Form of Financial Distribution Sales and Service Agreement between John Hancock Funds, Inc. and the John Hancock funds.+
- (7) Not Applicable.
- (8) Master Custodian Agreement between the John Hancock funds and Investors Bank & Trust Company.+
- (9) Transfer Agency Agreement between John Hancock Investor Services Corporation and the John Hancock funds.+
- (10) Opinion and consent of counsel.*****
- (11) Consent of Independent Auditors.+

(12) Not Applicable.

(13) Not Applicable.

(14) Not Applicable.

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(15) (a) Rule 12b-1 Plan (Class A Shares).
(i) Growth and Income Fund+

(b) Rule 12b-1 Plan (Class B Shares.)
(i) Growth and Income Fund+

(16) Schedule for computation of each performance quotation provided in the Registration Statement in response to Item 22.*****

(27) Financial Data Schedule+

* Incorporated by reference to post-effective amendment #56 filed June 27, 1985.

** Incorporated by reference to post-effective amendment #64 filed August 21, 1989.

*** Incorporated by reference to post-effective amendment #68 filed October 15, 1991.

**** To be filed by post-effective amendment.

***** Filed with the Securities and Exchange Commission on October 28, 1994, pursuant to Rule 24f-2 and incorporated herein by reference.

***** Previously filed in the registration statement or post-effective amendments.

+ Filed herewith.

BY-LAWS
OF
JOHN HANCOCK INVESTMENT TRUST

ARTICLE I
DEFINITIONS

All capitalized terms have the respective meanings given them in the Declaration of Trust of John Hancock Investment Trust, as amended or restated from time to time.

ARTICLE II
OFFICES

Section 1. Principal Office. Until changed by the Trustees, the principal office of the Trust shall be in Boston, Massachusetts.

Section 2. Other Offices. The Trust may have offices in such other places without as well as within The Commonwealth of Massachusetts as the Trustees may from time to time determine.

ARTICLE III
SHAREHOLDERS

Section 1. Meetings. Meetings of the Shareholders of the Trust or a Series or Class thereof shall be held as provided in the Declaration of Trust at such place within or without The Commonwealth of Massachusetts as the Trustees shall designate. The holders of a majority the Outstanding Shares of the Trust or a Series or Class thereof present in person or by proxy and entitled to vote shall constitute a quorum at any meeting of the Shareholders of the Trust or a Series or Class thereof.

Section 2. Notice of Meetings. Notice of all meetings of the Shareholders, stating the time, place and purposes of the meeting, shall be given by the Trustees by mail or telegraphic means to each Shareholder at his

address as recorded on the register of the Trust mailed at least (10) days and not more than sixty (60) days before the meeting, provided, however, that notice of a meeting need not be given to a Shareholder to whom such

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notice need not be given under the proxy rules of the Commission under the 1940 Act and the Securities Exchange Act of 1934, as amended. Only the business stated in the notice of the meeting shall be considered at such meeting. Any adjourned meeting may be held as adjourned without further notice. No notice need be given to any Shareholder who shall have failed to inform the Trust of his current address or if a written waiver of notice, executed before or after the meeting by the Shareholder or his attorney thereunto authorized, is filed with the records of the meeting.

Section 3. Record Date for Meetings and Other Purposes. For the purpose of determining the Shareholders who are entitled to notice of and to vote at any meeting, or to participate in any distribution, or for the purpose of any other action, the Trustees may from time to time close the transfer books for such period, not exceeding thirty (30) days, as the Trustees may determine; or without closing the transfer books the Trustees may fix a date not more than sixty (60) days prior to the date of any meeting of Shareholders or distribution or other action as a record date for the determination of the persons to be treated as Shareholders of record for such purposes.

Section 4. Proxies. At any meeting of Shareholders, any holder of Shares entitled to vote thereat may vote by proxy, provided that no proxy shall be voted at any meeting unless it shall have been placed on file with the Secretary, or with such other officer or agent of the Trust as the Secretary may direct, for verification prior to the time at which such vote shall be taken. A proxy shall be deemed signed if the shareholder's name is placed on the proxy (whether by manual signature, typewriting or telegraphic transmission) by the shareholder or the shareholder's attorney-in-fact. Proxies may be solicited in the name of one or more Trustees or one or more of the officers of the Trust. Only Shareholders of record shall be entitled to vote. When any Share is held jointly by several persons, any one of them may vote at any meeting in person or by proxy in respect of such Share, but if more than one of them shall be present at such meeting in person or by proxy, and such joint owners or their proxies so present disagree as to any vote to be cast, such vote shall not be received in respect of such Share. A proxy purporting to be executed by or on behalf of a Shareholder shall be deemed valid unless challenged at or prior to its exercise, and the burden of proving invalidity shall rest on the challenger. If the holder of any such Share is a minor or a person of unsound mind, and subject to guardianship or the legal control of any other person as regards the charge or management of such Share, he may vote by his guardian or such other person appointed or having such control, and such vote may be given in person or by proxy.

Section 5. Inspection of Records. The records of the Trust shall be open to inspection by Shareholders to the same extent as is permitted shareholders of a Massachusetts business corporation.

Section 6. Action without Meeting. Any action which may be taken by Shareholders may be taken without a meeting if a majority of Outstanding Shares entitled to vote on the matter (or such larger proportion thereof as shall be required by law) consent to the action in writing and the written consents are filed with the records of the meetings of Shareholders. Such consents shall be treated for all purposes as a vote taken at a meeting of Shareholders.

ARTICLE IV

TRUSTEES

Section 1. Meetings of the Trustees. The Trustees may in their discretion provide for regular or stated meetings of the Trustees. Notice of regular or stated meetings need not be given. Meetings of the Trustees other than regular or stated meetings shall be held whenever called by the President, the Chairman or by any one of the Trustees, at the time being in office. Notice of the time and place of each meeting other than regular or stated meetings shall be given by the Secretary or an Assistant Secretary or by the officer or Trustee calling the meeting and shall be mailed to each Trustee at least two days before the meeting, or shall be given by telephone, cable or wireless to each Trustee at his business address, or personally delivered to him at least one day before the meeting. Such notice may, however, be waived by any Trustee. Notice of a meeting need not be given to any Trustee if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting, or to any Trustee who attends the meeting without protesting prior thereto or at its commencement the lack of notice to him. A notice or waiver of notice need not specify the purpose of any meeting. The Trustees may meet by means of a telephone conference circuit or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall be deemed to have been held at a place designated by the Trustees at the meeting. Participation in a telephone conference meeting shall constitute presence in person at such meeting. Any action required or permitted to be taken at any meeting of the Trustees may be taken by the Trustees without a meeting if a majority of the Trustees consent to the action in writing and the written

consents are filed with the records of the Trustees' meetings. Such consents shall be treated as a vote for all purposes.

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Section 2. Quorum and Manner of Acting. A majority of the Trustees shall be present in person at any regular or special meeting of the Trustees in order to constitute a quorum for the transaction of business at such meeting and (except as otherwise required by law, the Declaration of Trust or these By-laws) the act of a majority of the Trustees present at any such meeting, at which a quorum is present, shall be the act of the Trustees. In the absence of a quorum, a majority of the Trustees present may adjourn the meeting from time to time until a quorum shall be present. Notice of an adjourned meeting need not be given.

ARTICLE V

COMMITTEES

Section 1. Executive and Other Committees. The Trustees by vote of a majority of all the Trustees may elect from their own number an Executive Committee to consist of not less than two (2) members to hold office at the pleasure of the Trustees, which shall have the power to conduct the current and ordinary business of the Trust while the Trustees are not in session, including the purchase and sale of securities and the designation of securities to be delivered upon redemption of Shares of the Trust or a Series thereof, and such other powers of the Trustees as the Trustees may, from time to time, delegate to them except those powers which by law, the Declaration of Trust or these By-laws they are prohibited from delegating. The Trustees may also elect from their own number other Committees from time to time; the number composing such Committees, the powers conferred upon the same (subject to the same limitations as with respect to the Executive Committee) and the term of membership on such Committees to be determined by the Trustees. The Trustees may designate a chairman of any such Committee. In the absence of such designation the Committee may elect its own Chairman.

Section 2. Advisory Committee. The Trustees may appoint an advisory committee which shall be composed of persons who do not serve the Trust in any other capacity and which shall have advisory functions with respect to the investments of the Trust but which shall have no power to determine that any security or other investments shall be purchased, sold or otherwise disposed of by the Trust. The number of persons constituting any such advisory committee may receive compensation for their services and may be allowed such fees and expenses for the attendance at such meeting as the Trustees may from time to time determine to be appropriate.

Section 3. Meetings, Quorum and Manner of Acting. The Trustees may (1) provide for stated meetings of any Committee, (2) specify the manner of calling and notice required for special meetings of any Committee, (3) specify the number of members of a Committee required to constitute a quorum and the number of members of a Committee required to exercise specified powers delegated to such Committee, (4) authorize the making of decisions to exercise specified powers by written assent of the requisite number of members of a Committee without a meeting, and (5) authorize the members of a Committee to meet by means of a telephone conference circuit.

The Executive Committee shall keep regular minutes of its meetings and records of decisions taken without a meeting and cause them to be recorded in a book designated for that purpose and kept in the office of the Trust.

ARTICLE VI

OFFICERS

Section 1. General Provisions. The officers of the Trust shall be Chairman, a President, a Treasurer and a Secretary, who shall be elected by the Trustees. The Trustees may elect or appoint such other officers or agents as the business of the Trust may require, including one or more Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. The Trustees may delegate to any officer or committee the power to appoint any subordinate officers or agents.

Section 2. Term of Office and Qualifications. Except as otherwise provided by law, the Declaration of Trust or these By-laws, the President, the Treasurer, the Secretary and any other officer shall each hold office at the pleasure of the Board of Trustees or until his successor shall have been duly elected and qualified. The Secretary and the Treasurer may be the same person. A Vice President and the Treasurer or a Vice President and the Secretary may be the same person, but the offices of Vice President, Secretary and Treasurer shall not be held by the same person. The President shall hold no other office. Except as above provided, any two offices may be held by the same person. Any officer may be but none need be a Trustee or Shareholder.

Section 3. Removal. The Trustees, at any regular or special meeting of the Trustees, may remove any officer with or without cause, by a vote of a majority of the Trustees then in office. Any officer or agent appointed by an officer or committee may be removed with or without cause by such appointing officer or committee.

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Section 4. Powers and Duties of the Chairman. The Trustees may, but need not, appoint from among their number a Chairman and chief executive officer. When present he shall preside at the meetings of the Shareholders and of the Trustees. He may call meetings of the Trustees and of any committee thereof whenever he deems it necessary. He shall be an executive officer of the Trust and shall have, with the President, general supervision over the business and policies of the Trust, subject to the limitations imposed upon the President, as provided in Section 5 of this Article VI. The Chairman shall have the authority to appoint officers of the Trust.

Section 5. Powers and Duties of the Vice Chairman. The Trustees may, but need not, appoint a Vice Chairman of the Trust. The Vice Chairman may, but need not, be a Trustee. The Vice Chairman shall have such powers and duties as the Trustees shall determine from time to time. In the absence of any such determination, the Vice Chairman shall have the same powers as a vice president.

Section 6. Powers and Duties of the President. The President may call meetings of the Trustees and of any Committee thereof when he deems it necessary and shall preside at all meetings of the Shareholders. Subject to the control of the Trustees and to the control of any Committees of the Trustees, within their respective spheres, as provided by the Trustees, he shall at all times exercise a general supervision and direction over the affairs of the Trust. He shall have the power to employ attorneys and counsel for the Trust or any Series or Class thereof and to employ such subordinate officers, agents, clerks and employees as he may find necessary to transact the business of the Trust or any Series or Class thereof. He shall also have the power to grant, issue, execute or sign such powers of attorney, proxies or other documents as may be deemed advisable or necessary in furtherance of the interests of the Trust or any Series thereof. The President shall have such other powers and duties, as from time to time may be conferred upon or assigned to him by the Trustees.

Section 7. Powers and Duties of Vice Presidents. In the absence or disability of the President, the Vice President or, if there be more than one

Vice President, any Vice President designated by the Trustees, shall perform all the duties and may exercise any of the powers of the President, subject to the control of the Trustees. Each Vice President shall perform such other duties as may be assigned to him from time to time by the Trustees and the President.

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Section 8. Powers and Duties of the Treasurer. The Treasurer shall be the principal financial and accounting officer of the Trust. He shall deliver all funds of the Trust or any Series or Class thereof which may come into his hands to such Custodian as the Trustees may employ. He shall render a statement of condition of the finances of the Trust or any Series or Class thereof to the Trustees as often as they shall require the same and he shall in general perform all the duties incident to the office of a Treasurer and such other duties as from time to time may be assigned to him by the Trustees. The Treasurer shall give a bond for the faithful discharge of his duties, if required so to do by the Trustees, in such sum and with such surety or sureties as the Trustees shall require.

Section 9. Powers and Duties of the Secretary. The Secretary shall keep the minutes of all meetings of the Trustees and of the Shareholders in proper books provided for that purpose; he shall have custody of the seal of the Trust; he shall have charge of the Share transfer books, lists and records unless the same are in the charge of a transfer agent. He shall attend to the giving and serving of all notices by the Trust in accordance with the provisions of these By-laws and as required by law; and subject to these By-laws, he shall in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Trustees.

Section 10. Powers and Duties of Assistant Officers. In the absence or disability of the Treasurer, any officer designated by the Trustees shall perform all the duties, and may exercise any of the powers, of the Treasurer. Each officer shall perform such other duties as from time to time may be assigned to him by the Trustees. Each officer performing the duties and exercising the powers of the Treasurer, if any, and any Assistant Treasurer, shall give a bond for the faithful discharge of his duties, if required so to do by the Trustees, in such sum and with such surety or sureties as the Trustees shall require.

Section 11. Powers and Duties of Assistant Secretaries. In the

absence or disability of the Secretary, any Assistant Secretary designated by the Trustees shall perform all the duties, and may exercise any of the powers, of the Secretary. Each Assistant Secretary shall perform such other duties as from time to time may be assigned to him by the Trustees.

Section 12. Compensation of Officers and Trustees and Members of the Advisory Board. Subject to any applicable provisions of the Declaration of Trust, the compensation of the officers and Trustees and members of an advisory board shall be fixed from time to time by the Trustees or, in the case of officers, by any Committee or officer upon whom such power may be

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conferred by the Trustees. No officer shall be prevented from receiving such compensation as such officer by reason of the fact that he is also a Trustee.

ARTICLE VII

INDEMNIFICATIONS

Section 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, save only that 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 1 of Article VII 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.

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Section 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 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 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;

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(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

(C) 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 3 of Article VII 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 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

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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 3 of Article VII, 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. 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 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.

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Section 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 VIII

FISCAL YEAR

The fiscal year of the Trust shall begin on the first day of September in each year and shall end on the last day of August in each year, provided, however, that the Trustees may from time to time change the fiscal year. The taxable year of each Series of the Trust shall be as determined by the Trustees from time to time.

ARTICLE IX

SEAL

The Trustees may adopt a seal which shall be in such form and shall have such inscription thereon as the Trustees may from time to time prescribe but the absence of a seal shall not impair the validity or execution of any document.

ARTICLE X

SUFFICIENCY AND WAIVERS OF NOTICE

Whenever any notice whatever is required to be given by law, the Declaration of Trust or these By-laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. A notice shall be deemed to have been sent by mail, telegraph, cable or wireless for the purposes of these By-laws when it has been delivered to a representative of any company holding itself out as capable of sending notice by such means with instructions that it be so sent.

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ARTICLE XI

AMENDMENTS

These By-laws may be amended, altered or repealed or new By-laws may be adopted (a) by a Majority Shareholder Vote (as defined in the Declaration of

Trust), or by the Trustees; provided, however, that no By-Law may be amended, adopted or repealed by the Trustees if such amendment, adoption or repeal requires, pursuant to law, the Declaration of Trust or the By-Laws, a vote of the Shareholders. The Trustees shall in no event adopt By-Laws which are in conflict with the Declaration of Trust, and any apparent inconsistency shall be construed in favor of the related provisions of the Declaration of Trust.

END OF BY-LAWS

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JOHN HANCOCK GROWTH AND INCOME FUND, a series of
John Hancock Investment Trust

Investment Management Contract

Dated: December 22, 1994

JOHN HANCOCK GROWTH AND INCOME FUND, a series of
John Hancock Investment Trust

John Hancock Advisers, Inc.
101 Huntington Avenue
Boston, Massachusetts 02199

Investment Management Contract

Ladies and Gentlemen:

John Hancock Investment Trust (the "Trust") has been organized as a business trust under the laws of The Commonwealth of Massachusetts to engage in the business of an investment company. The Trust's shares of beneficial interest are classified into series, and this agreement relates only to the series of shares representing the entire undivided interest in John Hancock Growth and Income Fund (the "Fund").

The Trustees of the Trust (the "Trustees") have selected John Hancock Advisers, Inc. (the "Adviser") to provide overall investment advice and management for the Fund, and to provide certain other services, as more fully set forth below, and you are willing to provide such advice, management and services under the terms and conditions hereinafter set forth. Accordingly, the Trust agrees with you as follows:

1. DELIVERY OF DOCUMENTS. The Trust has furnished you with copies, properly certified or otherwise authenticated, of each of the following:
 - (a) Declaration of Trust, dated December 21, 1984, as amended from time to time (the "Declaration of Trust");
 - (b) By-Laws of the Trust as in effect on the date hereof;
 - (c) Resolutions of the Trustees selecting the Adviser as investment adviser for the Trust and the Fund and approving the form of this Agreement; and
 - (d) Commitments, limitations and undertakings made by the Trust to state securities or "blue sky" authorities for the purpose of qualifying shares of the Fund for sale in such states. The Trust will furnish you from time to

time with copies, properly certified or otherwise authenticated, of all amendments of or supplements to the foregoing, if any.

2. INVESTMENT AND MANAGEMENT SERVICES. You will use your best efforts to provide to the Fund continuing and suitable investment programs with respect to investments, consistent with the investment policies, objectives and restrictions of the Fund. In the performance of the Adviser's duties hereunder, subject always (x) to the provisions contained in the documents delivered to the Adviser pursuant to Section 1, as each of the same may from time to time be amended or supplemented, and (y) to the limitations set forth in the registration statement of the Fund as in effect from time to time under the Securities Act of 1933, as amended, and the Investment Company Act of 1940, as amended (the "1940 Act"), the Adviser will, at its own expense:

- (a) furnish the Fund with advice and recommendations, consistent with the investment policies, objectives and restrictions of the Fund, with respect to the purchase, holding and disposition of portfolio securities;
- (b) advise the Fund in connection with policy decisions to be made by the Trustees or any committee thereof with respect to the Fund's investments and, as requested, furnish the Fund with research, economic and statistical data in connection with the Fund's investments and investment policies;
- (c) provide administration of the day-to-day investment operations of the Fund;
- (d) submit such reports relating to the valuation of the Fund's securities as the Trustees may reasonably request;
- (e) assist the Fund in any negotiations relating to the Fund's investments with issuers, investment banking firms, securities brokers or dealers and other institutions or investors;
- (f) consistent with the provisions of Section 6 of this Agreement, place orders for the purchase, sale or exchange of portfolio securities with brokers or dealers selected by you, PROVIDED that in connection with the

placing of such orders and the selection of such brokers or dealers you shall seek to obtain execution and pricing within the policy guidelines determined by the Trustees and set forth in the Prospectus and Statement of Additional Information of the Fund as in effect from time to time;

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- (g) provide office space and equipment and supplies, the use of accounting equipment when required, and necessary executive, clerical and secretarial personnel for the administration of the affairs of the Fund;
- (h) from time to time or at any time requested by the Trustees, make reports to the Trust of your performance of the foregoing services and furnish advice and recommendations with respect to other aspects of the business and affairs of the Fund;
- (i) maintain and preserve the records required by the Investment Company Act of 1940, as amended (the "1940 Act"), to be maintained and preserved by the Trust on behalf of the Fund (you agree that such records are the property of the Trust and will be surrendered to the Trust promptly upon request therefor);
- (j) obtain and evaluate such information relating to economies, industries, businesses, securities markets and securities as you may deem necessary or useful in the discharge of your duties hereunder;
- (k) oversee, and use your best efforts to assure the performance of the activities and services of the custodian, transfer agent or other similar agents retained by the Trust; and
- (l) give instructions to the Fund's custodian as to deliveries of securities to and from such custodian and transfer of payment of cash for the account of the Fund.

The Adviser may engage one or more investment advisers which are either registered as such or specifically exempt from

registration under the Investment Advisers Act of 1940, as amended, to act as subadvisers to provide with respect to the Fund certain services set forth in Section 2 of this Agreement, all as shall be set forth in a written contract, which contract shall be subject to approval by the vote of a majority of the Trustees of the Trust who are not interested persons of the Adviser, the subadviser or the Fund, cast in person at a meeting called for the purpose of voting on such approval and by the vote of a majority of the outstanding voting securities of the Fund and otherwise consistent with the terms of the 1940 Act. Any fee, compensation or expense to be paid to any subadviser shall be paid by the Adviser, and no obligation to the subadviser shall be incurred on the Fund's or Trust's behalf, except as agreed upon by the Trustees of the Trust and otherwise consistent with the terms of the 1940 Act.

3. EXPENSES OF THE FUND. You will pay:

- (a) the compensation and expenses of all officers and employees of the Fund;
- (b) the expenses of office rent, telephone and other utilities, office furniture, equipment, supplies and other office expenses of the Fund;
- (c) any other expenses incurred by you in connection with the performance of your duties hereunder; and
- (d) premiums for such insurance as may be agreed upon by you and the Trustees.

4. EXPENSES OF THE TRUST OR THE FUND NOT PAID BY YOU. You will not be required to pay any expenses which this Agreement does not expressly make payable by you. In particular, and without limiting the generality of the foregoing but subject to the provisions of Section 3, you will not be required to pay:

- (a) any and all expenses, taxes and governmental fees incurred by the Trust or the Fund prior to the effective

date of this Agreement;

- (b) without limiting the generality of the foregoing clause (a), the expenses of organizing the Fund (including without limitation, legal, accounting and auditing fees and expenses incurred in connection with the matters referred to in this clause (b)), of initially registering the shares of the Fund under the Securities Act of 1933, as amended, and of qualifying the shares for sale under state securities laws for the initial offering and sale of shares;
- (c) the compensation and expenses of Trustees who are not interested persons (as used in this Agreement, such term shall have the meaning specified in the 1940 Act) of you, and of independent advisers, independent contractors, consultants, managers and other unaffiliated agents employed by the Trust or the Fund other than through you;
- (d) legal, accounting and auditing fees and expenses of the Trust or the Fund;
- (e) the fees or disbursements of custodians and depositories of the Fund's assets, transfer agents, disbursing agents, plan agents and registrars;
- (f) taxes and governmental fees assessed against the Trust's or the Fund's assets and payable by the Trust;

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- (g) the cost of preparing and mailing dividends, distributions, reports, notices and proxy materials to shareholders of the Fund;
- (h) brokers' commissions and underwriting fees; and
- (i) the expense of periodic calculations of the net asset value of the shares of the Fund.

5. COMPENSATION OF THE ADVISER. For all services to be rendered, facilities furnished and expenses paid or assumed by you as herein provided, the Fund will pay you monthly, a fee at the

annual rate of 0.625% of the Fund's average daily net assets.

In the event that normal operating expenses of the Fund, exclusive of certain expenses prescribed by state law, are in excess of any limitation imposed by a state where the Fund is registered to sell shares of common stock, the fee payable to the Adviser will be reduced to the extent of such excess and the Adviser will make any arrangements necessary to eliminate any remaining excess expenses.

6. AVOIDANCE OF INCONSISTENT POSITION. In connection with purchases or sales of portfolio securities for the account of the Fund, neither you nor any investment management subsidiary of yours, nor any of your or their directors, officers or employees will act as principal or agent or receive any commission. If any occasion shall arise in which you advise persons concerning the shares of the Trust, you will act solely on your own behalf and not in any way on behalf of the Trust or the Fund.

7. NO PARTNERSHIP OR JOINT VENTURE. The Trust, the Fund and you are not partners of or joint venturers with each other and nothing herein shall be construed so as to make them such partners or joint venturers or impose any liability as such on any of them.

8. NAME OF THE TRUST AND FUND. The Trust and the Fund may use the name "John Hancock" or any name derived from or similar to the name "John Hancock Advisers, Inc." or "John Hancock Mutual Life Insurance Company" only for so long as this Agreement remains in effect. At such time as this Agreement shall no longer be in effect, the Trust and the Fund will (to the extent they lawfully can) cease to use such a name or any other name indicating that the Fund is advised by or otherwise connected with you. The Trust acknowledges that it has adopted the name "John Hancock Investment Trust" and the Fund has adopted the name "John Hancock Growth and Income Fund" through permission of John Hancock Mutual Life Insurance Company, a Massachusetts insurance company, and agrees that John Hancock Mutual Life Insurance Company reserves to itself and any successor to its business the right to 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 John Hancock Mutual Life Insurance Company or any subsidiary or affiliate thereof shall be the

investment adviser.

9. LIMITATION OF LIABILITY OF THE ADVISER. You shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Trust or the Fund in connection with the matters to which this Agreement relates, except a loss resulting from willful misfeasance, bad faith or gross negligence on your part in the performance of your duties or from reckless disregard by you of your obligations and duties under this Agreement. Any person, even though also employed by you, who may be or become an employee of and paid by the Trust or the Fund shall be deemed, when acting within the scope of his employment by the Trust or the Fund, to be acting in such employment solely for the Trust or the Fund and not as your employee or agent.

10. DURATION AND TERMINATION OF THIS AGREEMENT. This Agreement shall remain in force until the second anniversary of the date upon which this Agreement was executed by the parties hereto, and from year to year thereafter, but only so long as such continuance is specifically approved at least annually by (a) a majority of the Trustees who are not interested persons of you or (other than as trustees) of the Fund, cast in person at a meeting called for the purpose of voting on such approval, and (b) either (i) the Trustees or (ii) a majority of the outstanding voting securities of the Fund. This Agreement may, on 60 days' written notice, be terminated at any time without the payment of any penalty by the Trust or the Fund by vote of a majority of the outstanding voting securities of the Fund, by the Trustees or by you. Termination of this Agreement with respect to the Fund shall not be deemed to terminate or otherwise invalidate any provisions of any contract between you and any other series of the Trust. This Agreement shall automatically terminate in the event of its assignment. In interpreting the provisions of this Section 10, the definitions contained in Section 2(a) of the 1940 Act (particularly the definitions of "assignment," "interested person" and "voting security") shall be applied.

11. AMENDMENT OF THIS AGREEMENT. No provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought, and no amendment, transfer, assignment, sale, hypothecation or pledge of this Agreement shall be effective until approved by (a) the Trustees, including a majority of the Trustees who are not interested persons of you or (other than as Trustees) of the Trust or the Fund, cast in person at a meeting called for the purpose of voting on such approval, and (b) a majority of the outstanding voting securities of the Fund, as defined in the 1940 Act.

12. MISCELLANEOUS. The captions in this Agreement are included for convenience of reference only and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The names John Hancock Investment Trust and John Hancock Growth and Income Fund are the designations of the Trustees under the Declaration of Trust, dated December 21, 1984, as amended from time to time. The Declaration of Trust and all amendments thereto have been filed with the Secretary of State of The Commonwealth of Massachusetts. The obligations of the Trust and the Fund are not personally binding upon, nor shall resort be had to the private property of, any of the Trustees, shareholders, officers, employees or agents of the Trust or the Fund, but only the Fund's property shall be bound. The Fund shall not be liable for the obligations of any other series of the Trust.

Very truly yours,

JOHN HANCOCK INVESTMENT TRUST
on behalf of
John Hancock Growth and Income Fund

By:/s/ Thomas M. Simmons

Thomas M. Simmons
President

The foregoing contract
is hereby agreed to as
of the date hereof.

JOHN HANCOCK ADVISERS, INC.

By:/s/ Anne C. Hodsdon

Anne C. Hodsdon
Executive Vice President

AMENDED AND RESTATED ADMINISTRATIVE SERVICES AGREEMENT

AMENDED AND RESTATED AGREEMENT made as of the 22nd day of December, 1994 by and between John Hancock Investment Trust, a Massachusetts business trust (the "Trust"), in respect of John Hancock Growth and Income Fund (the "Fund"), and Transamerica Fund Management Company, a Delaware corporation (the "Investment Adviser"), and Transamerica Fund Distributors, Inc., a Maryland corporation (the "Distributor"):

WHEREAS, the Trust is engaged in business as an open-end management investment company and is registered as such under the Investment Company Act of 1940, as amended (the "Act"); and

WHEREAS, each of the Investment Adviser and the Distributor are registered as an investment adviser under the Investment Advisers Act of 1940, and engages in the business of acting as Investment Adviser or Distributor and providing certain other services to certain investment companies, including the Fund; and

WHEREAS, each of the Investment Adviser and the Distributor are registered as broker dealers under the Securities Exchange Act of 1934, as amended, and serves as the principal underwriter of the shares of each of the investment companies for which the Investment Adviser and the Distributor serve as investment advisers; and

WHEREAS, the Trust desires to retain the Investment Adviser and the Distributor to render certain additional services to the Fund regarding certain bookkeeping, accounting and administrative services (the "Services") in the manner and on the terms and conditions hereinafter set forth; and

WHEREAS, each of the Investment Adviser and the Distributor desires to be retained to perform such services on said terms and conditions;

Now, Therefore, this agreement

W I T N E S S E T H:

that in consideration of the premises and the mutual covenants

hereinafter contained, the Trust and each of the Investment Adviser and the Distributor agree as follows:

1. The Trust hereby retains each of the Investment Adviser and the Distributor, as the case may be, to provide to the Trust:

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A) such accounting and bookkeeping services and functions as are reasonably necessary for the operation of the Fund. Such services shall include, but shall not be limited to, preparation and maintenance of the following books, records and other documents: (1) journals containing daily itemized records of all purchases and sales, and receipts and deliveries of securities and all receipts and disbursements of cash and all other debits and credits, in the form required by Rule 31a-1(b)(1) under the Act; (2) general and auxiliary ledgers reflecting all asset, liability, reserve, capital, income and expense accounts, in the form required by Rules 31a-1(b)(2)(i)-(iii) under the Act; (3) a securities record or ledger reflecting separately for each portfolio security as of trade date all "long" and "short" positions carried by the Trust for the account of the Fund, if any, and showing the location of all securities long and the off-setting position to all securities short, in the form required by Rule 31a-1(b)(3) under the Act; (4) a record of all portfolio purchases or sales, in the form required by Rule 31a-1(b)(6) under the Act; (5) a record of all puts, calls, spreads, straddles and all other options, if any, in which the Fund has any direct or indirect interest or which the Fund has granted or guaranteed, in the form required by Rule 31a-1(b)(7) under the Act; (6) a record of the proof of money balances in all ledger accounts maintained pursuant to this Agreement, in the form required by Rule 31a-1(b)(8) under the Act; and (7) price make-up sheets and such records as are necessary to reflect the determination of the Fund's net asset value. The foregoing books and records shall be maintained by the Investment Adviser in accordance with and for the time periods specified by applicable rules and regulations, including Rule 31a-2 under the Act. All such books and records shall be the property of the Fund and upon request therefor, the Investment Adviser shall surrender to the Trust such of the books and records so requested; and B) certain administrative services including, but not limited to, administrative services to shareholders of the Fund to respond to inquiries related to shareholder accounts, processing confirmed purchase and redemption transactions,

processing certain shareholder transactions, and maintaining dealer information related to shareholder accounts and typesetting and other financial printing services for the Trust.

2. Each of the Investment Adviser and the Distributor shall, at its own expense, maintain such staff and employ or retain such personnel and consult with such other persons as it shall from time to time determine to be necessary or useful to the performance of its obligations under this Agreement. Without limiting the generality of the foregoing, such staff and personnel

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shall be deemed to include officers of the Investment Adviser, the Distributor and persons employed or otherwise retained by the Investment Adviser and the Distributor to provide or assist in providing of the services to the Fund.

3. Each of the Investment Adviser and the Distributor, as the case may be, shall provide such office space, facilities and equipment (including, but not limited to, telecommunication equipment and general office supplies) and such clerical help and other services as shall be necessary to provide the services to the Fun. In addition, each of the Investment Adviser and the Distributor, as the case may be, may arrange on behalf of the Trust and the Fund to obtain: (1) data processing or other services, subject to approval by a majority of the Trust's Board of Trustees, as necessary to assist it in providing the Services to the Fund, (2) pricing information regarding the Fund's investment securities from such company or companies as are approved by a majority of the Trust's Board of Trustees and (3) computer and telecommunication lines and equipment used to provide the aforementioned services to the Fund, subject to approval by a majority of the Trust's Board of Trustees and the Trust shall be financially responsible to such company or companies as aforesaid, for the reasonable cost of such services.

4. The Trust will, from time to time, furnish or otherwise make available to each of the Investment Adviser and the Distributor, as the case may be, such information relating to the business and affairs of the Fund as the Investment Adviser and the Distributor, as the case may be, may each reasonably require in

order to discharge its duties and obligations hereunder.

5. The Trust shall reimburse the Investment Adviser and the Distributor, as the case may be, for: (1) a portion of the compensation, including all benefits, of officers and employees of the Investment Adviser and the Distributor, as the case may be, based upon the amount of time that such persons actually spend in providing or assisting in providing the Services to the Fund (including necessary supervision and review); and (2) such other direct expenses, including, but not limited to, those listed in paragraph 3 above, incurred on behalf of the Fund that are associated with the providing of the Services. In addition the Trust will pay the Investment Adviser and the Distributor a per account Administrative Fee based on the shareholder service and recordkeeping duties performed. Such fees will be approved by a majority of the Trust's Board of Trustees (See Schedule A). In no event, however, shall such reimbursement exceed levels that are fair and reasonable in light of the usual and customary charges made by others for services of the same nature and quality. Compensation under this Agreement shall be calculated and paid monthly.

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6. The Investment Adviser and the Distributor will each permit representatives of the Trust, including the Trust's independent auditors, to have reasonable access to the personnel and records of the Investment Adviser and the Distributor in order to enable such representatives to monitor the quality of services being provided and the determination of reimbursements due the Investment Adviser and the Distributor pursuant to this Agreement. In addition, the Investment Adviser and the Distributor shall promptly deliver to the Board of Trustees of the Trust such information as may reasonably be requested from time to time to permit the Board of Trustees to make an informed determination regarding continuation of this Agreement and the payments contemplated to be made hereunder.

7. The Investment Adviser and the Distributor each will use its best efforts in providing the Services, but in the absence of willful misfeasance, bad faith, gross negligence or reckless disregard of its obligations hereunder, neither the Investment Adviser nor the Distributor shall be liable to the Trust or the

Fund or any of the Fund investors for any error or judgment or mistake of law or any act of omission either by the Investment Adviser or the Distributor or for any losses sustained by the Trust, the Fund or the Fund investors.

8. The Investment Adviser and the Distributor each may assign all or any part of their respective obligations under this Agreement, and any such assignment will not cause this Agreement to terminate. Notwithstanding any such assignment, the Investment Adviser and the Distributor shall remain responsible for the performance of their respective obligations hereunder.

9. This Agreement shall remain in effect until no later than December 20, 1996 and from year to year thereafter provided such continuance is approved at least annually by the vote of a majority of the Trustees of the Trust who are not parties to this Agreement or "interested persons" (as defined in the Act) of any such party, which vote must be cast in person at a meeting called for the purpose of voting on such approval; and further provided, however, that (a) the Trust may, at any time and without the payment of any penalty, terminate this Agreement upon thirty days written notice to the Investment Adviser or the Distributor and (b) either the Investment Adviser or the Distributor may terminate this Agreement without payment of penalty on sixty days' written notice to the Trust. Any notice under this Agreement shall be given in writing, addressed and delivered, or mailed post-paid, to the other party at the principal office of such party.

10. This Agreement shall be construed in accordance with the laws of The Commonwealth of Massachusetts and the applicable provisions of the Act. To the extent the applicable law of The

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Commonwealth of Massachusetts or any of the provisions herein conflict with the applicable provisions of the Act, the latter shall control.

11. The Trustees have authorized the execution of this Agreement in their capacity as Trustees and not individually and the Investment Adviser and the Distributor agree that neither the shareholders of the Fund nor the Trustees nor any officer, employee, representative or agent of the Trust shall be personally

liable upon, nor shall resort be had to their private property for the satisfaction of, obligations given, executed or delivered on behalf of or by the Fund; that the shareholders of the Fund, the Trustees, officers, employees, representatives and agents of the Trust shall not be personally liable hereunder; and that they shall look solely to the property of the Trust for the satisfaction of any claim hereunder.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the day and year first above written.

TRANSAMERICA FUND MANAGEMENT
COMPANY

JOHN HANCOCK INVESTMENT TRUST
on behalf of
John Hancock Growth and Income
Fund

By: /s/ Anne C. Hodsdon

Anne C. Hodsdon
President

By: /s/ Thomas M. Simmons

Thomas M. Simmons
President

TRANSAMERICA FUND DISTRIBUTORS, INC.

By: /s/ Thomas H. Drohan

Name: Thomas H. Drohan

Title: Secretary

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<TABLE>

Schedule A

Reimbursement for shareholder and other activities under Section 1.B of the Administrative Services Agreements.

<CAPTION>

Fund	Reimbursement Amount per Account per Year
----	-----
<S>	<C>
John Hancock Capital Growth Fund	\$4
John Hancock California Tax-Free Income Fund, Class A & Class B	\$4
John Hancock Cash Reserve, Inc.	\$3
John Hancock Tax-Free Bond Fund, Class A & Class B	\$4
John Hancock Bond Fund	

John Hancock Investment Quality Bond Fund	\$4
John Hancock Government Securities Trust	\$4
John Hancock U.S. Government Trust	\$4
John Hancock Intermediate Government Trust	\$4
John Hancock Adjustable U.S. Government Fund	\$4
John Hancock Adjustable U.S. Government Trust, Class A & Class B	\$4
John Hancock Investment Trust	

John Hancock Growth and Income Fund, Class A & Class B	\$4
John Hancock Series. Inc.	

John Hancock Money Market Fund B	\$4
John Hancock Government Income Fund	\$4
John Hancock High Yield Tax-Free Fund	\$4
John Hancock High Yield Bond Fund	\$4
John Hancock Emerging Growth Fund, Class A & Class B	\$4
John Hancock Global Resources Fund	\$4
John Hancock Current Interest	

John Hancock U.S. Government Cash Reserve	\$3

</TABLE>

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Additional Duties to be Performed Under Section 1.B of the Administrative Services Agreement:

In addition to responding to inquiries related to shareholder accounts, Transamerica Fund Management Co. ("TFMC") or Transamerica Fund Distributors, Inc. ("TFD"), as the case may be, will also process shareholder telephone requests for exchanges, Fed wire purchases and telephone redemptions. TFMC and TFD, as the case may be, will also process shareholder wire order purchases and redemption requests placed through dealers. In addition, TFMC and TFD, as the case may be, will maintain dealer, branch, and representative data on the transfer agency system for all shareholder accounts.

December 22, 1994

John Hancock Broker Distribution Services, Inc.
101 Huntington Avenue
Boston, Massachusetts 02199

Distribution Agreement

Dear Sir:

JOHN HANCOCK INVESTMENT TRUST (the "Trust") has been organized as a business trust under the laws of The Commonwealth of Massachusetts to engage in the business of an investment company. The Trust's Board of Trustees has selected you to act as principal underwriter (as such term is defined in Section 2(a)(29) of the Investment Company Act of 1940, as amended) of the shares of beneficial interest ("shares") of each series of the Trust (collectively, the "Funds") and you are willing, as agent for the Trust, to sell the shares to the public, to broker-dealers or to both, in the manner and on the conditions hereinafter set forth. Accordingly, the Trust hereby agrees with you as follows:

1. Delivery of Documents. The Trust will furnish you promptly with copies, properly certified or otherwise authenticated, of any registration statements filed by it with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or the Investment Company Act of 1940, as amended, together with any financial statements and exhibits included therein, and all amendments or supplements thereto hereafter filed.
2. Registration and Sale of Additional Shares. The Trust will from time to time use its best efforts to register under the Securities Act of 1933, as amended, such shares not already so registered as you may reasonably be expected to sell as agent on behalf of the Trust. This Agreement relates to the issue and sale of shares that are duly authorized and registered and available for sale by the Trust if, but only if, the Trust sees fit to sell them. You and the Trust will cooperate in taking such action as may be necessary from time to time to qualify shares for sale in Massachusetts and in any other states mutually agreeable to you and the Trust, and to maintain such qualification if and so long as such shares are duly registered under the Securities Act of 1933, as amended.
3. Solicitation of Orders. You will use your best efforts (but only in states in which you may lawfully do so) to obtain from investors unconditional orders for shares authorized for issue by the Trust and registered under the Securities

amended, provided that you may in your discretion refuse to accept orders for such shares from any particular applicant.

4. Sale of Shares. Subject to the provisions of Sections 5 and 6 hereof and to such minimum purchase requirements as may from time to time be currently indicated in a Fund's prospectus, you are authorized to sell as agent on behalf of the Trust authorized and issued shares registered under the Securities Act of 1933, as amended. Such sales may be made by you on behalf of the Trust by accepting unconditional orders to purchase such shares placed with your investors. The sales price to the public of such shares shall be the public offering price as defined in Section 6 hereof.

5. Sale of Shares to Investors by the Trust. Any right granted to you to accept orders for shares or make sales on behalf of the Trust will not apply to shares issued in connection with the merger or consolidation of any other investment company with the Trust or any Fund or the Trust's or a Fund's acquisition, by purchase or otherwise, of all or substantially all the assets of any investment company or substantially all the outstanding shares of any such company, and such right shall not apply to shares that may be offered or otherwise issued by the Trust to shareholders by virtue of their being shareholders of the Trust.

6. Public Offering Price. All shares sold by you as agent for the Trust will be sold at the public offering price, which will be determined in the manner provided in the applicable Fund's prospectus or statement of additional information, as now in effect or as it may be amended.

7. No Sales Discount. The Trust shall receive the applicable net asset value on all sales of shares by you as agent of the Trust.

8. Delivery of Payments. You will deliver to the Trust's transfer agent all payments made pursuant to orders accepted by you, and accompanied by proper applications for the purchase of shares, no later than the first business day following the receipt by you in your home office of such payments and applications.

9. Suspension of Sales. If and whenever a suspension of the right of redemption or a postponement of the date of payment or redemption has been declared pursuant to the Trust's Declaration of Trust and has become effective, then, until such suspension or postponement is terminated, no further orders for shares shall be accepted by you except such unconditional orders placed with you before you have knowledge of the suspension. The Trust reserves the right to

suspend the sale of shares and your authority to accept orders for shares on behalf of the Trust if in the judgment of a majority of the Trust's Board of Trustees, it is in the best

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interests of the Trust to do so, such suspension to continue for such period as may be determined by such majority; and in that event, no shares will be sold by the Trust or by you on behalf of the Trust while such suspension remains in effect except for shares necessary to cover unconditional orders accepted by you before you had knowledge of the suspension.

10. Expenses. The Trust will pay (or will enter into arrangements providing that persons other than you will pay) all fees and expenses in connection with the preparation and filing of any registration statement and prospectus or amendments thereto under the Securities Act of 1933, as amended, covering the issue and sale of shares and in connection with the qualification of shares for sale in the various states in which the Trust shall determine it advisable to qualify such shares for sale. It will also pay the issue taxes or (in the case of shares redeemed) any initial transfer taxes thereon. You will pay all expenses of printing prospectuses and other sales literature, all fees and expenses in connection with your qualification as a dealer in various states, and all other expenses in connection with the sale and offering for sale of the shares of the Trust which have not been herein specifically allocated to the Trust.

11. Conformity with Law. You agree that in selling the shares you will duly conform in all respects with the laws of the United States and any state in which such shares may be offered for sale by you pursuant to this Agreement.

12. Indemnification. You agree to indemnify and hold harmless the Trust and each of its Trustees and officers and each person, if any, who controls the Trust within the meaning of Section 15 of the Securities Act of 1933, as amended, against any and all losses, claims, damages, liabilities or litigation (including legal and other expenses) to which the Trust or such Trustees, officers or controlling person may become subject under such Act, under any other statute, at common law or otherwise, arising out of the acquisition of any shares by any person which (a) may be based upon any wrongful act by you or any of your employees or representatives or (b) may be based upon any untrue statement or alleged untrue statement of a material fact contained in a registration statement, prospectus or statement of additional information covering shares of a Fund or any amendment thereof or supplement thereto or the omission or alleged omission to state therein a material fact required to be

stated therein or necessary to make the statements therein not misleading if such statement or omission was made in reliance upon information furnished or confirmed in writing to the Trust by you, or (c) may be incurred or arise by reason of your acting as the Trust's agent instead of purchasing and reselling shares as principal in distributing shares to the public, provided that in no case is your indemnity

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in favor of a Trustee or officer of the Trust or any other person deemed to protect such Trustee or officer of the Trust or other person against any liability to which any such person would otherwise be subject by reason of willful misfeasance, bad faith, or gross negligence in the performance of his duties or by reason of his reckless disregard of obligations and duties under this Agreement.

You are not authorized to give any information or to make any representations on behalf of the Trust or in connection with the sale of shares other than the information and representations contained in a registration statement, prospectus, or statement of additional information covering shares, as such registration statement, prospectus and statement of additional information may be amended or supplemented from time to time. No person other than you is authorized to act as principal underwriter for the Trust.

13. Duration and Termination of this Agreement. With respect to each Fund, this Agreement shall remain in force until two years from the date hereof and from year to year thereafter, but only so long as such continuance is specifically approved at least annually by (a) a majority of the Board of Trustees of the Trust who are not interested persons of you (other than as Trustees) or of the Fund, cast in person at a meeting called for the purpose of voting on such approval, and (b) either (i) the Board of Trustees of the Trust, or (ii) a majority of the outstanding voting securities of the Fund. This Agreement may, on 60 days' written notice, be terminated as to one or more Funds at any time, without the payment of any penalty, by the Board of Trustees of the Trust, by a vote of a majority of the outstanding voting securities of each affected Fund, or by you. This Agreement will automatically terminate in the event of its assignment by you. In interpreting the provisions of this Section 13, the definitions contained in Section 2(a) of the Investment Company Act of 1940, as amended (particularly the definitions of "interested person," "assignment" and "voting security"), shall be applied.

14. Amendment of this Agreement. No provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. If the Trust should at any time deem it necessary or advisable in the best interests of the Trust that any amendment of this agreement be made in order to comply with the recommendations or

requirements of the Securities and Exchange Commission or other governmental authority or to obtain any advantage under state or federal tax laws and should notify you of the form of such amendment, and the reasons therefor, and if you should decline to assent to such amendment, the Trust may terminate this Agreement

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forthwith. If you should at any time request that a change be made in the Trust's Declaration of Trust or By-Laws, or in its methods of doing business, in order to comply with any requirements of federal law or regulations of the Securities and Exchange Commission or of a national securities association of which you are or may be a member, relating to the sale of shares, and the Trust should not make such necessary change within a reasonable time, you may terminate this Agreement forthwith.

15. Miscellaneous. The captions in this Agreement are included for convenience of reference only and in no way define or limit any of the provisions hereof or otherwise affect their construction or effect. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The obligations of the Trust and the Fund are not personally binding upon, nor shall resort be had to the private property of, any of the Trustees, shareholders, officers, employees or agents of the Trust or the Fund, but only the Fund's property shall be bound. The Fund shall not be liable for the obligations of any other series of the Trust.

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Very truly yours,

JOHN HANCOCK INVESTMENT TRUST

on behalf of
John Hancock Growth and Income Fund

By:/s/ Thomas M. Simmons

Thomas M. Simmons
President

The foregoing Agreement is hereby
accepted as of the date hereof

JOHN HANCOCK BROKER DISTRIBUTION SERVICES, INC.

By:/s/ C. Troy Shaver, Jr.

C. Troy Shaver, Jr.
President and Chief Executive Officer

[Form of]

SOLICITING DEALER AGREEMENT

[LOGO]

JOHN HANCOCK FUNDS, INC.

BOSTON -- MASSACHUSETTS -- 02199-7603

JOHN HANCOCK FUNDS, INC.
101 HUNTINGTON AVENUE
BOSTON, MA 02199-7603

[Form of]

SOLICITING DEALER AGREEMENT

Date _____

John Hancock Funds, Inc. ("the Distributor" or "Distributor") is the principal distributor of the shares of beneficial interest (the "securities") of each of the John Hancock Funds, ("We" or "us"), (the "Funds"). Such Funds are those listed on Schedule A hereto which may be amended or supplemented from time to time by the Distributor to include additional Funds for which the Distributor is the principal distributor. You represent that you are a member of the National Association of Securities Dealers, Inc., (the "NASD") and, accordingly, we invite you to become a non-exclusive soliciting dealer to distribute the securities of the Funds and you agree to solicit orders for the purchase of the securities on the following terms. Securities are offered pursuant to each Fund's prospectus and statement of additional information, as such prospectus and statement of additional information may be amended from time to time. To the extent that the prospectus or statement of additional information contains provisions that are inconsistent with the terms of this Agreement, the terms of the prospectus or statement of additional information shall be controlling.

OFFERINGS

1. You agree to abide by the Rules of Fair Practice of the NASD and to all other rules and regulations that are now or may become applicable to transactions hereunder.
2. As principal distributor of the Funds, we shall have full authority to take such action as we deem advisable in respect of all matters pertaining to

the distribution. This offer of shares of the Funds to you is made only in such jurisdictions in which we may lawfully sell such shares of the Funds.

3. You shall not make any representation concerning the Funds or their securities except those contained in the then-current prospectus or statement of additional information for each Fund.

4. With the exception of listings of product offerings, you agree not to furnish or cause to be furnished to any person or display, or publish any information or materials relating to any Fund (including, without limitation, promotional materials, sales literature, advertisements, press releases, announcements, posters, signs and other similar materials), except such information and materials as may be furnished to you by the Distributor or the Fund. All other materials must receive written approval by the Distributor before distribution or display to the public. Use of all approved advertising and sales literature materials is restricted to appropriate distribution channels.

5. You are not authorized to act as our agent. Nothing shall constitute you as a syndicate, association, joint venture, partnership, unincorporated business, or other separate entity or otherwise partners with us, but you shall be liable for your proportionate share of any tax, liability or expense based on any claim arising from the sale of shares of the Funds under this Agreement. We shall not be under any liability to you, except for obligations expressly assumed by us in this Agreement and liabilities under Section 11(f) of the Securities Act of 1933, and no obligations on our part shall be implied or inferred herefrom.

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6. DEALER COMPLIANCE/SUITABILITY STANDARDS (CLASS A AND CLASS B SHARES) - Certain mutual funds distributed by the Distributor are being offered with two or more classes of shares of the same investment portfolio ("Fund") - refer to each Fund prospectus for availability and details. It is essential that the following minimum compliance/suitability standards be adhered to in offering and selling shares of these Funds to investors. All dealers offering shares of the Funds and their associated persons agree to comply with these general suitability and compliance standards.

SUITABILITY

With two classes of shares of certain funds available to individual investors, (Class A and Class B), it is important that each investor purchases not only the fund that best suits his or her investment objective but also the class of shares that offers the most beneficial distribution financing method for the investor based upon his or her particular situation and preferences. Fund share recommendations and orders must be carefully reviewed by you and your registered representatives in light of all the facts and circumstances, to ascertain that the class of shares to be purchased by each investor is appropriate and suitable. These recommendations should be based on several factors, including but not limited to:

- (A) the amount of money to be invested initially and over a period of time;
- (B) the current level of front-end sales load or back-end sales load imposed by the Fund;
- (C) the period of time over which the client expects to retain the investment;

- (D) the anticipated level of yield from fixed income funds' Class A and Class B shares;
- (E) any other relevant circumstances such as the availability of reduced sales charges under letters of intent and/or rights of accumulation.

There are instances when one distribution financing method may be more appropriate than another. For example, shares subject to a front-end sales charge may be more appropriate than shares subject to a contingent deferred sales charge for large investors who qualify for a significant quantity discount on the front-end sales charge. In addition, shares subject to a contingent deferred sales charge may be more appropriate for investors whose orders would not qualify for quantity discounts and who, therefore, may prefer to defer sales charges and also for investors who determine it to be advantageous to have all of their funds invested without deduction of a front-end sales commission. However, if it is anticipated that an investor may redeem his or her shares within a short period of time, the investor may, depending on the amount of his or her purchase, bear higher distribution expenses by purchasing contingent deferred sales charge shares than if he or she had purchased shares subject to a front-end sales charge.

COMPLIANCE

Your supervisory procedures should be adequate to assure that an appropriate person reviews and approves transactions entered into pursuant to this Soliciting Dealer Agreement for compliance with the foregoing standards. In certain instances, it may be appropriate to discuss the purchase with the registered representatives involved or to review the advantages and disadvantages of selecting one class of shares over another with the client. The Distributor will not accept orders for Class B Shares in any Fund from you for accounts maintained in street name. Trades for Class B Shares will only be accepted in the name of the shareholder.

7. CLASS C SHARES - Certain mutual funds distributed by the Distributor may be offered with Class C shares. Refer to each Fund prospectus for availability and details. Class C shares are designed for institutional investors and qualified benefit plans, including pension funds, and are sold without a sales charge or 12b-1 fee. If a commission is paid to you for transactions in Class C shares, it will be paid by the Distributor out of its own resources.

SALES

8. Orders for securities received by you from investors will be for the sale of the securities at the public offering price, which will be the net asset value per share as determined in the manner provided in the relevant Fund's prospectus, as now in effect or as amended from time to time, next after receipt by us (or the relevant Fund's transfer agent) of the purchase application and payment for the securities, plus the relevant sales charges set forth in the relevant Fund's then-current prospectus (the "Public Offering Price"). The procedures relating to the handling of orders shall be subject to our instructions which we will forward from time to time to you. All orders are subject to acceptance by us, and we reserve the right in our sole discretion to reject any order.

In addition to the foregoing, you acknowledge and agree to the initial and subsequent investment minimums, which may vary from year to year, as

described in the then-current prospectus for each Fund.

9. You agree to sell the securities only (a) to your customers at the public offering price then in effect, or (b) back to the Funds at the currently quoted net asset value.

10. The amount of sales charge to be reallocated to you (the "Reallowance") as a percentage of the offering price is set forth in the then-current prospectus of each Fund.

If a sales charge on the purchase is reduced in accordance with the provisions of the relevant Fund's then-current prospectus pertaining to "Methods of Obtaining Reduced Sales Charges," the Reallowance shall be reduced pro rata.

11. We shall pay a Reallowance subject to the provisions of this agreement as set forth in Schedule B hereto on all purchases made by your customers pursuant to orders accepted by us (a) where an order for the purchase of securities is obtained by a registered representative in your employ and remitted to us promptly by you, (b) where a subsequent investment is made to an account established by a registered representative in your employ or (c) where a subsequent investment is made to an account established by a broker/dealer other than you and is accompanied by a signed request from the account shareholder that your registered representative receive the Reallowance for that investment and/or for subsequent investments made in such account. If for any reason, a purchase transaction is reversed, you shall not be entitled to receive or retain any part of the Reallowance on such purchase and shall pay to us on demand in full the amount of the Reallowance received by you in connection with any such purchase. We may withhold and retain from the amount of the Reallowance due you a sum sufficient to discharge any amount due and payable by you to us.

12. Certain of the Funds have adopted a plan under Investment Company Act Rule 12b-1 ("Distribution Plan" as described in the the prospectus). To the extent you provide distribution and marketing services in the promotion of the sale of shares of these Funds, including furnishing services and assistance to your customers who invest in and own shares of such Funds and including, but not limited to, answering routine inquiries regarding such Funds and assisting in changing distribution options, account designations and addresses, you may be entitled to receive compensation from us as set forth in Schedule C hereto. All compensation, including 12b-1 fees, shall be payable to you only to the extent that funds are received and in the possession of the Distributor.

13. We will advise you as to the jurisdictions in which we believe the shares have been qualified for sale under the respective securities or "blue sky" laws of such jurisdictions, but we assume no responsibility or obligations as to your right to sell the shares of the Funds in any state or jurisdiction.

14. Orders may be placed through:
John Hancock Funds, Inc.
101 Huntington Avenue
Boston, MA 02199-7603
1-800-338-4265

SETTLEMENT

15. Settlements for wire orders shall be made within five business days after our acceptance of your order to purchase shares of the Funds. Certificates, when requested, will be delivered to you upon payment in full of the sum due for the sale of the shares of the Funds. If payment is not so received or made, we reserve the right forthwith to cancel the sale, or, at our option, to liquidate the shares of the Fund subject to such sale at the then prevailing net asset value, in which latter case you will agree to be responsible for any loss resulting to the Funds or to us from your failure to make payments as

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INDEMNIFICATION

16. The parties to this agreement hereby agree to indemnify and hold harmless each other, their officers and directors, and any person who is or may be deemed to be a controlling person of each other, from and against any losses, claims, damages, liabilities or expenses (including reasonable fees of counsel), whether joint or several, to which any such person or entity may become subject insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof) arise out of or are based upon, (a) any untrue statement or alleged untrue statement of material fact, or any omission or alleged omission to state a material fact made or omitted by it herein, or, (b) any willful misfeasance or gross misconduct by it in the performance of its duties and obligations hereunder.

17. NSCC INDEMNITY - SHAREHOLDER AND HOUSE ACCOUNTS - In consideration of the Distributor and John Hancock Investor Services Corporation ("Investor Services") liquidating, exchanging, and/or transferring unissued shares of the Funds for your customers without the use of original or underlying documentation supporting such instructions (e.g., a signed stock power or signature guarantee), you hereby agree to indemnify the Distributor, Investor Services and each respective Fund against any losses, including reasonable attorney's fees, that may arise from such liquidation exchange, and/or transfer of unissued shares upon your direction. This indemnification shall apply only to the liquidation, exchange and/or transfer of unissued shares in shareholder and house accounts executed as wire orders transmitted via NSCC's Fund/SERVsystem. You represent and warrant to the Funds, the Distributor and Investor Services that all such transactions shall be properly authorized by your customers.

The indemnification in this Section 16 shall not apply to any losses (including attorney's fees) caused by a failure of the Distributor, Investor Services or a Fund to comply with any of your instructions governing any of the above transactions, or any negligent act or omission of the Distributor, Investor Services or a Fund, or any of their directors, officers, employees or agents. All transactions shall be settled upon your confirmation through NSCC transmission to Investor Services.

The Distributor, Investor Services or you may revoke the indemnity contained in this Section 16 upon prior written notice to each of the other parties hereto, and in the case of such revocation, this indemnity agreement shall remain effective as to trades made prior to such revocation.

MISCELLANEOUS

18. We will supply to you at our expense additional copies of the prospectus and statement of additional information for each of the Funds and any printed information supplemental to such material in reasonable quantities upon request.

19. Any notice to you shall be duly given if mailed or telegraphed to you at your address as registered from time to time with the NASD.

20. Miscellaneous provisions, if any, are attached hereto and incorporated herein by reference.

21. This agreement, which shall be construed in accordance with the laws of the Commonwealth of Massachusetts, may be terminated by any party hereto at any time upon written notice.

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SOLICITING DEALER

Name of Organization

By:-----
Authorized Signature of Soliciting Dealer

Please Print or Type Name

Title

Print or Type Address

Telephone Number

Date:-----

In order to service you efficiently, please provide the following information on your Mutual Funds Operations Department:

OPERATIONS MANAGER:-----

ORDER ROOM MANAGER:-----

OPERATIONS ADDRESS:-----

TELEPHONE:----- FAX:-----

<TABLE>
<S>
TO BE COMPLETED BY:
JOHN HANCOCK FUNDS, INC.

<C>
TO BE COMPLETED BY:
JOHN HANCOCK INVESTOR
SERVICES CORPORATION

BY:

BY:

TITLE

TITLE

</TABLE>

DEALER NUMBER:

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JOHNHANCOCK
MUTUAL FUNDS

John Hancock Broker Distribution Services, Inc.
101 Huntington Avenue Boston, MA 02199-7608 1-800-225-5291

/s/ John Hancock

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JOHN HANCOCK FUNDS, INC.
SCHEDULE A

DATED JANUARY 1, 1995 TO THE
SOLICITING DEALER AGREEMENT RELATING TO SHARES OF
JOHN HANCOCK FUNDS

<TABLE>

<S>

John Hancock Sovereign Achievers Fund
John Hancock Sovereign Investors Fund
John Hancock Sovereign Balanced Fund
John Hancock Sovereign Bond Fund
John Hancock Sovereign U.S. Government Income Fund
John Hancock Special Equities Fund*
John Hancock Special Opportunities Fund
John Hancock Discovery Fund
John Hancock Growth Fund
John Hancock Strategic Income Fund
John Hancock Limited-Term Government Fund
John Hancock Cash Management Fund
John Hancock Managed Tax-Exempt Fund
John Hancock Tax-Exempt Income Fund
John Hancock Tax-Exempt Series Fund
John Hancock Special Value Fund
John Hancock Strategic Short-Term Income Fund
John Hancock CA Tax-Free Fund
John Hancock High Yield Tax-Free Fund
John Hancock Tax-Free Bond Fund
John Hancock U.S. Government Cash Reserve Fund

<C>

John Hancock National Aviation & Technology Fund
John Hancock Regional Bank Fund
John Hancock Gold and Government Fund
John Hancock Global Rx Fund
John Hancock Global Technology Fund
John Hancock Global Fund
John Hancock Pacific Basin Equities Fund
John Hancock Global Income Fund
John Hancock International Fund
John Hancock Global Resources Fund
John Hancock Emerging Growth Fund
John Hancock Capital Growth Fund
John Hancock Growth & Income Fund
John Hancock High Yield Bond Fund
John Hancock Investment Quality Bond Fund
John Hancock Government Securities Fund
John Hancock U.S. Government Fund
John Hancock Government Income Fund
John Hancock Intermediate Government Fund
John Hancock Adjustable U.S. Government Fund
John Hancock Cash Reserve Money Market B Fund

</TABLE>

From time to time John Hancock Funds, Inc., as principal distributor of the

John Hancock funds, will offer additional funds for sale. These funds will automatically become part of this Agreement and will be subject to all its provisions unless otherwise directed by John Hancock Funds, Inc.

*Closed to new investors as of 9/30/94

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JOHN HANCOCK FUNDS, INC.

SCHEDULE B

DATED JANUARY 1, 1995 TO THE
SOLICITING DEALER AGREEMENT RELATING TO SHARES OF
JOHN HANCOCK FUNDS

I. REALLOWANCE

The Reallowance paid to the selling Brokers for sales of John Hancock Funds is set forth in each Fund's then-current prospectus. No Commission will be paid on sales of John Hancock Cash Management Fund or any John Hancock Fund that is without a sales charge. Purchases of Class A shares of \$1 million or more, or purchases into an account or accounts whose aggregate value of fund shares is \$1 million or more will be made at net asset value with no initial sales charge. On purchases of this type, John Hancock Funds, Inc. will pay a commission as set forth in each Fund's then-current prospectus. John Hancock Funds, Inc. will pay Brokers for sales of Class B shares of the Funds a marketing fee as set forth in each Fund's then-current prospectus.

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JOHN HANCOCK FUNDS, INC.

SCHEDULE C

DATED JANUARY 1, 1995 TO THE
SOLICITING DEALER AGREEMENT RELATING TO SHARES OF
JOHN HANCOCK FUNDS

FIRST YEAR SERVICE FEES

Pursuant to the Distribution Plan applicable to each of the Funds listed in Schedule A, John Hancock Funds, Inc. will advance to you a First Year Service Fee related to the purchase of Class A shares (only if subject to sales charge) or Class B shares of any of the Funds, as the case may be, sold by your firm. This Service Fee will be compensation for your personal service and/or the maintenance of shareholder accounts ("Customer Servicing") during the twelve-month period immediately following the purchase of such shares, in the amount not to exceed .25 of 1% of net assets invested in Class A shares or Class B shares of the Fund, as the case may be, purchased by your customers.

SERVICE FEE SUBSEQUENT TO THE FIRST YEAR

Pursuant to the Distribution Plan applicable to each of the Funds listed in Schedule A, the Distributor will pay you quarterly, in arrears, a Service Fee commencing at the end of the twelve month period immediately following the purchase of Class A shares (only if subject to sales charge) or Class B shares, as the case may be, sold by your firm, for Customer Servicing, in an amount not to exceed .25 of 1% of the average daily net assets attributable to the Class A shares or Class B shares of the Fund, as the case may be, purchased by your customers, provided your firm has under management with the Funds combined average daily net assets for the preceding quarter of no less than \$1 million, or an individual representative of your firm has under management with the Funds combined average daily net assets for the preceding

JOHN HANCOCK BROKER DISTRIBUTION SERVICES, INC.

SCHEDULE D

DATED JULY 1, 1992 TO THE
SOLICITING DEALER AGREEMENT RELATING TO SHARES OF
JOHN HANCOCK MUTUAL FUNDS

No broker/dealer shall represent the FUNds or Distribution Services in any written communications without prior receipt of written approval from John Hancock Broker Distribution Services, Inc. This includes but is not limited to all advertising, public relations, marketing and sales literature, and media contacts.

Further, subsequent to the creation of such materials before written approval from JHBDS will be given, a copy of the NASD review document applicable to such materials must be furnished to John Hancock Broker Distribution Services, Inc. for its review and files.

FOR PURPOSES OF THIS SCHEDULE D, THE FOLLOWING TERMS ARE DEFINED:

Advertising:

materials designed for the mass market, e.g. print ads, radio and tv commercials, billboards, etc.

Sales literature:

materials designed for a directed market, e.g. prospecting letters, brochures, mailers, stuffers, etc.

Coop Advertising:

advertising materials (as defined above) used by selling group members for which John Hancock pays some or all of the costs of publication whether the materials were developed by JHBDS Marketing or not.

John Hancock Broker Distribution Services, Inc. Approval of Advertising:

Approval has four meanings: approval of the material itself from a marketing perspective (JHBDS product managers), proactive compliance officer), parent company corporate advertising approval (John Hancock Mutual Life Insurance Company Advertising Dept. personnel) and approval for use and related cost-sharing arrangements (national sales coordinators).

NASD Filing:

Materials created by JHBDS will be filed with the NASD by the JHBDS Compliance Department. Materials not created by JHBDS but to be included in the coop program will be filed with the NASD by the broker-dealer creating the materials. However, prior to use of the materials in our coop program, we will need a copy of the final version of the material as well as the NASD comment letter. When this is received, the above approvals can be obtained.

FINANCIAL INSTITUTION
SALES AND SERVICE AGREEMENT

[LOGO]

JOHN HANCOCK FUNDS, INC.

Boston - Massachusetts - 02199-7603

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JOHN HANCOCK FUNDS, INC.
101 HUNTINGTON AVENUE
BOSTON, MA 02199-7603

FINANCIAL INSTITUTION
SALES AND SERVICE AGREEMENT

Date _____

John Hancock Funds, Inc. ("The Distributor", or "Distributor"), ("We" or "us"), is the principal distributor of the shares of beneficial interest (the "securities") of each of the John Hancock Funds (the "Funds"). Such Funds are those listed on Schedule A hereto which may be amended or supplemented from time to time by the Distributor to include additional Funds for which the Distributor is the principal distributor. You hereby represent that you are a "bank" as defined in Section 3(a)(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and at the time of each transaction in shares of the Funds, are not required to register as a broker/dealer under the Exchange Act or regulations thereunder. We invite you to become a non-exclusive soliciting financial institution ("Financial Institution") to distribute the securities of the Funds and you agree to solicit orders for the purchase of the securities on the following terms. Securities are offered pursuant to each Fund's prospectus and statement of additional information, as such prospectus and statement of additional information may be amended from time to time. To the extent that the prospectus or statement of additional information contains provisions that are inconsistent with the terms of this Agreement, the terms of the prospectus or statement of additional information shall be controlling.

OFFERINGS

1. You represent and warrant that you will use your best efforts to ensure that any purchase of shares of the Funds by your customers constitutes a suitable investment for such customers. You acknowledge that you will base such a decision of suitability on all the facts you have gathered about your customer's financial situation, investment objectives, risk tolerance and sophistication.
2. You represent and warrant that a copy of the then-current prospectus of a Fund will be delivered to your customer before any purchase of shares of that Fund are effected for that customer. You shall not effect any transaction in, or induce any purchase or sale of, any shares of the Funds by means of any manipulative, deceptive or other fraudulent device or contrivance, and shall otherwise deal equitably and fairly with your customers with respect to transactions in shares of a Fund.
3. You represent and warrant that you will not make shares of any Fund available to your customers, including your fiduciary customers, except in compliance with all Federal and state laws and rules and regulations of regulatory agencies or authorities applicable to you, or any of your affiliates engaging in such activity, which may affect your business practices. You

confirm that you are not in violation of any banking law or regulations as to which you are subject. You agree that you will comply with the requirements of Banking Circular 274 issued by the Office of the Comptroller of the Currency in offering shares of the Funds to your customers. We agree that we will comply with all Federal and state laws and rules and regulations of regulatory agencies or authorities applicable to us. We and you acknowledge and agree that the offering of shares of the Funds pursuant to this agreement is subject to the oversight of your management and the regulatory authorities by which you are subject to review, and that appropriate records and materials relating to any activity by you or us undertaken pursuant to this agreement may be accessed by bank examiners in the due course of any regulatory review to which you may be subject.

4. As principal distributor of the Funds, we shall have full authority to take such action as we deem advisable in respect of all matters pertaining to the distribution. This offer of shares of the Funds to you is made only in such jurisdictions in which we may lawfully sell such shares of the Funds.

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5. You shall not make any representation concerning the Funds or their securities except those contained in the then-current prospectus or statement of additional information for each Fund.

6. We will supply to you at our expense additional copies of the then-current prospectus and statement of additional information for each of the Funds and any printed information supplemental to such material in reasonable quantities upon request. It shall be your obligation to ensure that all such information and materials are distributed to your customers who own or seek to own shares of the Funds in accordance with securities and/or banking law and regulations and any other applicable regulations.

7. With the exception of listings of product offerings, you agree not to furnish or cause to be furnished to any person or display, or publish any information or materials relating to any Fund (including, without limitation, promotional materials, sales literature, advertisements, press releases, announcements, posters, signs and other similar materials), except such information and materials as may be furnished to you by us the Distributor or the Fund. All other materials must receive written approval by the Distributor before distribution or display to the public. Use of all approved advertising and sales literature materials is restricted to appropriate distribution channels.

8. You are not authorized to act as our agent. In making available shares of the Funds under this Financial Institution Sales and Service Agreement, nothing herein shall be construed to constitute you or any of your agents, employees or representatives as our agent or employee, or as an agent or employee of the Funds, and you shall not make any representations to the contrary. Nothing shall constitute you as a syndicate, association, unincorporated business, or other separate entity or partners with us, but you shall be liable for your proportionate share of any tax, liability or expense based on any claim arising from the sale of shares of the Funds under this Agreement. We shall not be under any liability to you, except for obligations expressly assumed by us in this Agreement and liabilities under Section 11(f) of the Securities Act of 1933, and no obligations on our part shall be implied or inferred herefrom.

9. DEALER COMPLIANCE/SUITABILITY STANDARDS (CLASS A AND CLASS B SHARES) - Certain mutual funds distributed by the Distributor are being offered with two or more classes of shares of the same investment portfolio ("Fund") - refer to each Fund prospectus for availability and details. It is essential that the following minimum compliance/suitability standards be adhered to in offering and selling shares of these Funds to investors. All soliciting financial institutions offering shares of the Funds and their agents, employees and representatives agree to comply with these general suitability and compliance standards.

SUITABILITY

With two classes of shares of certain funds available to individual investors, (Class A and Class B), it is important that each investor purchases

not only the fund that best suits his or her investment objective but also the class of shares that offers the most beneficial distribution financing method for the investor based upon his or her particular situation and preferences. Fund share recommendations and orders must be carefully reviewed by you and your agents, employees and representatives in light of all the facts and circumstances, to ascertain that the class of shares to be purchased by each investor is appropriate and suitable. These recommendations should be based on several factors, including but not limited to:

- (A) the amount of money to be invested initially and over a period of time;
- (B) the current level of front-end sales load or back-end sales load imposed by the Fund;
- (C) the period of time over which the customer expects to retain the investment;
- (D) the anticipated level of yield from fixed income funds' Class A and Class B shares;
- (E) any other relevant circumstances such as the availability of reduced sales charges under letters of intent and/or rights of accumulation.

There are instances when one distribution financing method may be more appropriate than another. For example, shares subject to a front-end sales charge may be more appropriate than shares subject to a contingent deferred sales charge for large investors who qualify for a significant quantity discount on the front-end sales charge. In addition, shares subject to a contingent deferred sales charge may be more appropriate for investors whose orders would not qualify for quantity discounts and who, therefore, may prefer to defer sales charges and also for investors who determine it to be advantageous to have all of their funds invested without deduction of a front-end sales commission. However, if it is anticipated that an investor may redeem his or her shares within a short period of time, the investor may, depending on the amount of his or her purchase, bear higher distribution expenses by purchasing contingent deferred sales charge shares than if he or she had purchased shares subject to a front-end sales charge.

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COMPLIANCE

Your supervisory procedures should be adequate to assure that an appropriate person reviews and approves transactions entered into pursuant to this Financial Institution Sales and Service Agreement for compliance with the foregoing standards. In certain instances, it may be appropriate to discuss the purchase with the agents, employees and representatives involved or to review the advantages and disadvantages of selecting one class of shares over another with the client. The Distributor will not accept orders for Class B Shares in any Fund from you for accounts maintained in your name or in the name of your nominee for the benefit of certain of your customers. Trades for Class B Shares will only be accepted in the name of the shareholder.

10. CLASS C SHARES - Certain mutual funds distributed by the Distributor may be offered with Class C shares. Refer to each Fund prospectus for availability and details. Class C shares are designed for institutional investors and qualified benefit plans, including pension funds, and are sold without a sales charge or 12b-1 fee. If a commission is paid to you for transactions in Class C shares, it will be paid by the Distributor out of its own resources.

SALES

11. With respect to any and all transactions in the shares of any Fund pursuant to this Financial Institution Sales and Service Agreement it is understood and agreed in each case that: (a) you shall be acting solely as agent for the account of your customer; (b) each transaction shall be initiated solely upon the order of your customer; (c) we shall execute transactions only upon receiving instructions from you acting as agent for your customer or upon receiving instructions directly from your customer; (d) as between you and your customer, your customer will have full beneficial ownership of all shares; (e) each transaction shall be for the account of your customer and not for your account; and (f) unless otherwise agreed in writing we will serve as a clearing

broker for you on a fully disclosed basis, and you shall serve as the introducing agent for your customers' accounts. Subject to the foregoing, however, and except for Class B shares, as described in Section 8 above, you may maintain record ownership of such customers' shares in an account registered in your name or the name of your nominee, for the benefit of such customers. Each transaction shall be without recourse to you provided that you act in accordance with the terms of this Financial Institution Sales and Service Agreement. You represent and warrant to us that you will have full right, power and authority to effect transactions (including, without limitation, any purchases and redemptions) in shares of the Funds on behalf of all customer accounts provided by you.

12. Orders for securities received by you from your customers will be for the sale of the securities at the public offering price, which will be the net asset value per share as determined in the manner provided in the relevant Fund's prospectus, as now in effect or as amended from time to time, next after receipt by us (or the relevant Fund's transfer agent) of the purchase application and payment for the securities, plus the relevant sales charges set forth in the relevant Fund's then-current prospectus (the "Public Offering Price"). The procedures relating to the handling of orders shall be subject to our instructions which we will forward from time to time to you. All orders are subject to acceptance by us, and we reserve the right in our sole discretion to reject any order.

In addition to the foregoing, you acknowledge and agree to the initial and subsequent investment minimums, which may vary from year to year, as described in the then-current prospectus for each Fund.

13. You agree to sell the securities only (a) to your customers at the public offering price then in effect, or (b) back to the Funds at the currently quoted net asset value.

14. The amount of sales charge to be reallocated to you (the "Reallowance") as a percentage of the offering price is set forth in the then-current prospectus of each Fund.

If a sales charge on the purchase is reduced in accordance with the provisions of the relevant Fund's then-current prospectus pertaining to "Methods of Obtaining Reduced Sales Charges," the Reallowance shall be reduced pro rata.

15. We shall pay a Reallowance subject to the provisions of this agreement as set forth in Schedule B hereto on all purchases made by your customers pursuant to orders accepted by us (a) where an order for the purchase of securities is obtained by you and remitted to us promptly by you, (b) where a subsequent investment is made to an account established by you or (c) where a subsequent investment is made to an account established by a financial institution or

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5 registered broker/dealer other than you and is accompanied by a signed request from the account shareholder that you receive the Reallowance for that investment and/or for subsequent investments made in such account. If for any reason, a purchase transaction is reversed, you shall not be entitled to receive or retain any part of the Reallowance on such purchase and shall pay to us on demand in full the amount of the Reallowance received by you in connection with any such purchase. We may withhold and retain from the amount of the Reallowance due you a sum sufficient to discharge any amount due and payable by you to us.

16. Certain of the Funds have adopted a plan under Investment Company Act Rule 12b-1 ("Distribution Plan" as described in the prospectus). To the extent you provide distribution and marketing services in the promotion of the sale of shares of these Funds, including furnishing services and assistance to your customers who invest in and own shares of such Funds and including, but not limited to, answering routine inquiries regarding such Funds and assisting in changing distribution options, account designations and addresses, you may be entitled to receive compensation from us as set forth in Schedule C hereto. All compensation, including 12b-1 fees, shall be payable to you only to the extent that funds are received and in the possession of the Distributor.

17. We will advise you as to the jurisdictions in which we believe the shares

have been qualified for sale under the respective securities or "blue sky" laws of such jurisdictions, but we assume no responsibility or obligations as to your right to sell the shares of the Funds in any state or jurisdiction.

18. Orders may be placed through:
John Hancock Funds, Inc.
101 Huntington Avenue
Boston, MA 02199-7603
1-800-338-4265

SETTLEMENT

19. Settlements for wire orders shall be made within five business days after our acceptance of your order to purchase shares of the Funds. Certificates, when requested, will be delivered to you upon payment in full of the sum due for the sale of the shares of the Funds. If payment is not so received or made, we reserve the right forthwith to cancel the sale, or, at our option, to liquidate the shares of the Fund subject to such sale at the then prevailing net asset value, in which latter case you will agree to be responsible for any loss resulting to the Funds or to us from your failure to make payments as aforesaid.

INDEMNIFICATION

20. The parties to this agreement hereby agree to indemnify and hold harmless each other, their officers and directors, and any person who is or may be deemed to be a controlling person of each other, from and against any losses, claims, damages, liabilities or expenses (including reasonable fees of counsel), whether joint or several, to which any such person or entity may become subject insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof) arise out of or are based upon, (a) any untrue statement or alleged untrue statement of material fact, or any omission or alleged omission to state a material fact made or omitted by it herein, or, (b) any willful misfeasance or gross misconduct by it in the performance of its duties and obligations hereunder.

MISCELLANEOUS

21. Any notice to you shall be duly given if mailed or telegraphed to you at your address as most recently furnished to us by you.

22. Miscellaneous provisions, if any, are attached hereto and incorporated herein by reference.

23. This agreement, which shall be construed in accordance with the laws of the Commonwealth of Massachusetts, may be terminated by any party hereto at any time upon written notice.

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FINANCIAL INSTITUTION

Financial Institution

By:

Authorized Signature of Financial Institution

Please Print or Type Name

Title

Print or Type Address

Date:

In order to service you efficiently, please provide the following information on your Mutual Funds Operations Department:

OPERATIONS MANAGER: -----

ORDER ROOM MANAGER: -----

OPERATIONS ADDRESS: -----

TELEPHONE: ----- FAX: -----

TO BE COMPLETED BY: JOHN HANCOCK INVESTOR
JOHN HANCOCK FUNDS, INC. SERVICES CORPORATION

By: ----- By: -----

Title

Title

TO BE COMPLETED BY:

FINANCIAL INSTITUTION NUMBER: -----

JOHN HANCOCK FUNDS, INC.

SCHEDULE A

DATED JANUARY 1, 1995 TO THE
FINANCIAL INSTITUTION SALES AND SERVICE
AGREEMENT RELATING TO SHARES OF
JOHN HANCOCK FUNDS

<TABLE>

<S>

- John Hancock Sovereign Achievers Fund
- John Hancock Sovereign Investors Fund
- John Hancock Sovereign Balanced Fund
- John Hancock Sovereign Bond Fund
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- John Hancock Special Equities Fund*
- John Hancock Special Opportunities Fund
- John Hancock Discovery Fund
- John Hancock Growth Fund
- John Hancock Strategic Income Fund
- John Hancock Limited Term Government Fund
- John Hancock Cash Management Fund
- John Hancock Managed Tax-Exempt Fund
- John Hancock Tax-Exempt Income Fund
- John Hancock Tax-Exempt Series Fund
- John Hancock Special Value Fund

<C>

- John Hancock National Aviation & Technology Fund
- John Hancock Regional Bank Fund
- John Hancock Gold and Government Fund
- John Hancock Global Rx Fund
- John Hancock Global Technology Fund
- John Hancock Global Fund
- John Hancock Pacific Basin Equities Fund
- John Hancock Global Income Fund
- John Hancock International Fund
- John Hancock Global Resources Fund
- John Hancock Emerging Growth Fund
- John Hancock Capital Growth Fund
- John Hancock Growth & Income Fund
- John Hancock High Yield Bond Fund
- John Hancock Investment Quality Bond Fund
- John Hancock Government Securities Fund

John Hancock Strategic Short-Term Income Fund
John Hancock CA Tax-Free Fund
John Hancock High Yield Tax-Free Fund
John Hancock Tax-Free Bond Fund
John Hancock U.S. Government Cash Reserve Fund

John Hancock U.S. Government Fund
John Hancock Government Income Fund
John Hancock Intermediate Government Fund
John Hancock Adjustable U.S. Government Fund
John Hancock Cash Reserve Money Market B Fund

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From time to time John Hancock Funds, as principal distributor of the John Hancock Funds, will offer additional funds for sale. These funds will automatically become part of this Agreement and will be subject to all its provisions unless otherwise directed by John Hancock Funds, Inc.

* Closed to new investors as of 9/30/94.

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JOHN HANCOCK FUNDS, INC.

SCHEDULE B

DATED JANUARY 1, 1995 TO THE
FINANCIAL INSTITUTION SALES AND SERVICE
AGREEMENT RELATING TO SHARES OF
JOHN HANCOCK FUNDS

I. REALLOWANCE

The Reallowance paid to Financial Institutions for sales of John Hancock Funds is the same as that paid to Selling Brokers described and set forth in each Fund's then-current prospectus. No Commission will be paid on sales of John Hancock Cash Management Fund or any John Hancock Fund that is without a sales charge. Purchases of Class A shares of \$1 million or more, or purchases into an account or accounts whose aggregate value of fund shares is \$1 million or more will be made at net asset value with no initial sales charge. On purchases of this type, the Distributor will pay a commission as set forth in each Fund's then-current prospectus. John Hancock Funds, Inc. will pay Financial Institutions for sales of Class B shares of the Funds a marketing fee as set forth in each Fund's then-current prospectus for Selling Brokers.

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JOHN HANCOCK FUNDS, INC.

SCHEDULE C

DISTRIBUTION PLAN SCHEDULE OF COMPENSATION

DATED JANUARY 1, 1995 TO THE
FINANCIAL INSTITUTION SALES AND SERVICE
AGREEMENT RELATING TO SHARES OF
JOHN HANCOCK FUNDS

FIRST YEAR SERVICE FEE

Pursuant to the Distribution Plan applicable to each of the Funds listed in Schedule A, the Distributor will advance to you a First Year Service Fee related to the purchase of Class A shares (only if subject to sales charge) or Class B shares of any of the Funds, as the case maybe, sold by your firm on or after July 1, 1993. This Service Fee will be compensation for your personal service and/or the maintenance of shareholder accounts ("Customer Servicing") during the twelve-month period immediately following the purchase of such shares, in an amount not to exceed .25 of 1% of the average daily net assets attributable to Class A shares or Class B shares of the Fund, as the case may be, purchased by your customers.

SERVICE FEE SUBSEQUENT TO THE FIRST YEAR

Pursuant to the Distribution Plan applicable to each of the Funds listed in Schedule A, the Distributor will pay you quarterly, in arrears, a Service Fee commencing at the end of the twelve-month period immediately following the purchase of Class A shares (only if subject to sales charge) or Class B shares, as the case may be, sold by your firm, for Customer Servicing, in an amount not to exceed .25 of 1% of the average daily net assets attributable to the Class A shares or Class B shares of the Fund, as the case may be, purchased by your customers, provided your Financial Institution has under management with the Funds combined average daily net assets for the

preceding quarter of no less than \$1 million, or an individual representative of your Financial Institution has under management with the Funds combined average daily net assets for the preceding quarter of no less than \$250,000 (an "Eligible Financial Institution").

MASTER CUSTODIAN AGREEMENT

between

JOHN HANCOCK MUTUAL FUNDS

and

INVESTORS BANK & TRUST COMPANY

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MASTER CUSTODIAN AGREEMENT

This Agreement is made as of December 15, 1992 between each investment company advised by John Hancock Advisers, Inc. which has adopted this Agreement in the manner provided herein and Investors Bank & Trust Company (hereinafter called "Bank", "Custodian" and "Agent"), a trust company established under the laws of Massachusetts with a principal place of business in Boston, Massachusetts.

Whereas, each such investment company is registered under the Investment Company Act of 1940 and has appointed the Bank to act as Custodian of its property and to perform certain duties as its Agent, as more fully hereinafter set forth; and

Whereas, the Bank is willing and able to act as each such investment company's Custodian and Agent, subject to and in accordance with the provisions hereof;

Now, therefore, in consideration of the premises and of the mutual covenants and agreements herein contained, each such investment company and the Bank agree as follows:

1. Definitions

Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

(a) "Fund" shall mean the investment company which has adopted this Agreement and is listed on Appendix A hereto. If the Fund is a Massachusetts

business trust or Maryland corporation, it may in the future establish and designate other separate and distinct series of shares, each of which may be called a "portfolio"; in such case, the term "Fund" shall also refer to each such separate series or portfolio.

(b) "Board" shall mean the board of directors/trustees/managing general partners/director general partners of the Fund, as the case may be.

(c) "The Depository Trust Company", a clearing agency registered with the Securities and Exchange Commission under Section 17A of the Securities Exchange Act of 1934 which acts as a securities depository and which has been specifically approved as a securities depository for the Fund by the Board.

(d) "Authorized Officer", shall mean any of the following officers of the Trust: The Chairman of the Board of Trustees, the President, a Vice President, the Secretary, the Treasurer or Assistant Secretary or Assistant Treasurer, or any other officer of the Trust duly authorized to sign by appropriate resolution of the Board of Trustees of the Trust.

(e) "Participants Trust Company", a clearing agency registered with the Securities and Exchange Commission under Section 17A of the Securities Exchange Act of 1934 which acts as a securities depository and which has been specifically approved as a securities depository for the Fund by the Board.

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(f) "Approved Clearing Agency" shall mean any other domestic clearing agency registered with the Securities and Exchange Commission under Section 17A of the Securities Exchange Act of 1934 which acts as a securities depository but only if the Custodian has received a certified copy of a vote of the Board approving such clearing agency as a securities depository for the Fund.

(g) "Federal Book-Entry System" shall mean the book-entry system referred to in Rule 17f-4(b) under the Investment Company Act of 1940 for United States and federal agency securities (i.e., as provided in Subpart O of Treasury Circular No. 300, 31 CFR 306, Subpart B of 31 CFR Part 350, and the book-entry regulations of federal agencies substantially in the form of Subpart O).

(h) "Approved Foreign Securities Depository" shall mean a foreign securities depository or clearing agency referred to in rule 17f-4 under the Investment Company Act of 1940 for foreign securities but only if the Custodian has received a certified copy of a vote of the Board approving such depository or clearing agency as a foreign securities depository for the Fund.

(i) "Approved Book-Entry System for Commercial Paper" shall mean a system maintained by the Custodian or by a subcustodian employed pursuant to Section 2 hereof for the holding of commercial paper in book-entry form but only if the Custodian has received a certified copy of a vote of the Board approving the participation by the Fund in such system.

(j) The Custodian shall be deemed to have received "proper instructions" in respect of any of the matters referred to in this Agreement upon receipt of written or facsimile instructions signed by such one or more person or persons as the Board shall have from time to time authorized to give the particular class of instructions in question. Electronic instructions for the purchase and sale of securities which are transmitted by John Hancock Advisers, Inc. to the Custodian through the John Hancock equity trading system and the John Hancock fixed income trading system shall be deemed to be proper instructions; the Fund shall cause all such instructions to be confirmed in writing. Different persons may be authorized to give instructions for different purposes. A certified copy of a vote of the Board may be received and accepted by the Custodian as conclusive evidence of the authority of any such person to act and may be considered as in full force and effect until

receipt of written notice to the contrary. Such instructions may be general or specific in terms and, where appropriate, may be standing instructions. Unless the vote delegating authority to any person or persons to give a particular class of instructions specifically requires that the approval of any person, persons or committee shall first have been obtained before the Custodian may act on instructions of that class, the Custodian shall be under no obligation to question the right of the person or persons giving such instructions in so doing. Oral instructions will be considered proper instructions if the Custodian reasonably believes them to have been given by a person authorized to give such instructions with respect to the transaction involved. The Fund shall cause all oral

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instructions to be confirmed in writing. The Fund authorizes the Custodian to tape record any and all telephonic or other oral instructions given to the Custodian. Upon receipt of a certificate signed by two officers of the Fund as to the authorization by the President and the Treasurer of the Fund accompanied by a detailed description of the communication procedures approved by the President and the Treasurer of the Fund, "proper instructions" may also include communications effected directly between electromechanical or electronic devices provided that the President and Treasurer of the Fund and the Custodian are satisfied that such procedures afford adequate safeguards for the Fund's assets. In performing its duties generally, and more particularly in connection with the purchase, sale and exchange of securities made by or for the Fund, the Custodian may take cognizance of the provisions of the governing documents and registration statement of the Fund as the same may from time to time be in effect (and votes, resolutions or proceedings of the shareholders or the Board), but, nevertheless, except as otherwise expressly provided herein, the Custodian may assume unless and until notified in writing to the contrary that so-called proper instructions received by it are not in conflict with or in any way contrary to any provisions of such governing documents and registration statement, or votes, resolutions or proceedings of the shareholders or the Board.

2. Employment of Custodian and Property to be Held by It

The Fund hereby appoints and employs the Bank as its Custodian and Agent in accordance with and subject to the provisions hereof, and the Bank hereby accepts such appointment and employment. The Fund agrees to deliver to the Custodian all securities, participation interests, cash and other assets owned by it, and all payments of income, payments of principal and capital distributions and adjustments received by it with respect to all securities and participation interests owned by the Fund from time to time, and the cash consideration received by it for such new or treasury shares ("Shares") of the Fund as may be issued or sold from time to time. The Custodian shall not be responsible for any property of the Fund held by the Fund and not delivered by the Fund to the Custodian. The Fund will also deliver to the Bank from time to time copies of its currently effective charter (or declaration of trust or partnership agreement, as the case may be), by-laws, prospectus, statement of additional information and distribution agreement with its principal underwriter, together with such resolutions, votes and other proceedings of the Fund as may be necessary for or convenient to the Bank in the performance of its duties hereunder.

The Custodian may from time to time employ one or more subcustodians to perform such acts and services upon such terms and conditions as shall be approved from time to time by the Board. Any such subcustodian so employed by the Custodian shall be deemed to be the agent of the Custodian, and the Custodian shall remain primarily responsible for the securities, participation

interests, moneys and other property of the Fund held by such subcustodian. Any foreign subcustodian shall be a bank or trust company which is an eligible foreign custodian within the meaning of Rule 17f-5 under the Investment Company Act of 1940, and the foreign custody arrangements shall be approved by the Board and shall be in accordance with and subject to the provisions of said Rule. For

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the purposes of this Agreement, any property of the Fund held by any such subcustodian (domestic or foreign) shall be deemed to be held by the Custodian under the terms of this Agreement.

3. Duties of the Custodian with Respect to Property of the Fund

A. SAFEKEEPING AND HOLDING OF PROPERTY The Custodian shall keep safely all property of the Fund and on behalf of the Fund shall from time to time receive delivery of Fund property for safekeeping. The Custodian shall hold, earmark and segregate on its books and records for the account of the Fund all property of the Fund, including all securities, participation interests and other assets of the Fund (1) physically held by the Custodian, (2) held by any subcustodian referred to in Section 2 hereof or by any agent referred to in Paragraph K hereof, (3) held by or maintained in The Depository Trust Company or in Participants Trust Company or in an Approved Clearing Agency or in the Federal Book-Entry System or in an Approved Foreign Securities Depository, each of which from time to time is referred to herein as a "Securities System", and (4) held by the Custodian or by any subcustodian referred to in Section 2 hereof and maintained in any Approved Book-Entry System for Commercial Paper.

B. DELIVERY OF SECURITIES The Custodian shall release and deliver securities or participation interests owned by the Fund held (or deemed to be held) by the Custodian or maintained in a Securities System account or in an Approved Book-Entry System for Commercial Paper account only upon receipt of proper instructions, which may be continuing instructions when deemed appropriate by the parties, and only in the following cases:

- 1) Upon sale of such securities or participation interests for the account of the Fund, BUT ONLY against receipt of payment therefor; if delivery is made in Boston or New York City, payment therefor shall be made in accordance with generally accepted clearing house procedures or by use of Federal Reserve Wire System procedures; if delivery is made elsewhere payment therefor shall be in accordance with the then current "street delivery" custom or in accordance with such procedures agreed to in writing from time to time by the parties hereto; if the sale is effected through a Securities System, delivery and payment therefor shall be made in accordance with the provisions of Paragraph L hereof; if the sale of commercial paper is to be effected through an Approved Book-Entry System for Commercial Paper, delivery and payment therefor shall be made in accordance with the provisions of Paragraph M hereof; if the securities are to be sold outside the United States, delivery may be made in accordance with procedures agreed to in writing from time to time by the parties hereto; for the purposes of this subparagraph, the

term "sale" shall include the disposition of a portfolio

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security (i) upon the exercise of an option written by the Fund and (ii) upon the failure by the Fund to make a successful bid with respect to a portfolio security, the continued holding of which is contingent upon the making of such a bid;

- 2) Upon the receipt of payment in connection with any repurchase agreement or reverse repurchase agreement relating to such securities and entered into by the Fund;
- 3) To the depository agent in connection with tender or other similar offers for portfolio securities of the Fund;
- 4) To the issuer thereof or its agent when such securities or participation interests are called, redeemed, retired or otherwise become payable; provided that, in any such case, the cash or other consideration is to be delivered to the Custodian or any subcustodian employed pursuant to Section 2 hereof;
- 5) To the issuer thereof, or its agent, for transfer into the name of the Fund or into the name of any nominee of the Custodian or into the name or nominee name of any agent appointed pursuant to Paragraph K hereof or into the name or nominee name of any subcustodian employed pursuant to Section 2 hereof; or for exchange for a different number of bonds, certificates or other evidence representing the same aggregate face amount or number of units; provided that, in any such case, the new securities or participation interests are to be delivered to the Custodian or any subcustodian employed pursuant to Section 2 hereof;
- 6) To the broker selling the same for examination in accordance with the "street delivery" custom; provided that the Custodian shall adopt such procedures as the Fund from time to time shall approve to ensure their prompt return to the Custodian by the broker in the event the broker elects not to accept them;
- 7) For exchange or conversion pursuant to any plan of merger, consolidation, recapitalization, reorganization or readjustment of the securities of the issuer of such securities, or pursuant to provisions for conversion of such securities, or pursuant to any deposit agreement; provided that, in any such case, the new securities and cash, if any, are to be delivered to the Custodian or any subcustodian employed pursuant to Section 2 hereof;

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- 8) In the case of warrants, rights or similar securities, the surrender thereof in connection with the exercise of such warrants, rights or similar securities, or the surrender of interim receipts or temporary securities for definitive securities; provided that, in any such case, the new securities and cash, if any, are to be delivered to the Custodian or any subcustodian employed pursuant to Section 2 hereof;

- 9) For delivery in connection with any loans of securities made by the Fund (such loans to be made pursuant to the terms of the Fund's current registration statement), but only against receipt of adequate collateral as agreed upon from time to time by the Custodian and the Fund, which may be in the form of cash or obligations issued by the United States government, its agencies or instrumentalities.
- 10) For delivery as security in connection with any borrowings by the Fund requiring a pledge or hypothecation of assets by the Fund (if then permitted under circumstances described in the current registration statement of the Fund), provided, that the securities shall be released only upon payment to the Custodian of the monies borrowed, except that in cases where additional collateral is required to secure a borrowing already made, further securities may be released for that purpose; upon receipt of proper instructions, the Custodian may pay any such loan upon redelivery to it of the securities pledged or hypothecated therefor and upon surrender of the note or notes evidencing the loan;
- 11) When required for delivery in connection with any redemption or repurchase of Shares of the Fund in accordance with the provisions of Paragraph J hereof;
- 12) For delivery in accordance with the provisions of any agreement between the Custodian (or a subcustodian employed pursuant to Section 2 hereof) and a broker-dealer registered under the Securities Exchange Act of 1934 and, if necessary, the Fund, relating to compliance with the rules of The Options Clearing Corporation or of any registered national securities exchange, or of any similar organization or organizations, regarding deposit or escrow or other arrangements in connection with options transactions by the Fund;
- 13) For delivery in accordance with the provisions of any agreement among the Fund, the Custodian (or a subcustodian employed pursuant to Section 2 hereof),

and a futures commission merchant, relating to compliance with the rules of the Commodity Futures Trading Commission and/or of any

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contract market or commodities exchange or similar organization, regarding futures margin account deposits or payments in connection with futures transactions by the Fund;

- 14) For any other proper corporate purpose, but only upon receipt of, in addition to proper instructions, a certified copy of a vote of the Board specifying the securities to be delivered, setting forth the purpose for which such delivery is to be made, declaring such purpose to be proper corporate purpose, and naming the person or persons to whom delivery of such securities shall be made.

C. REGISTRATION OF SECURITIES Securities held by the Custodian (other than bearer securities) for the account of the Fund shall be registered in the name of the Fund or in the name of any nominee of the Fund or of any nominee of the Custodian, or in the name or nominee name of any agent appointed pursuant to Paragraph K hereof, or in the name or nominee name of any subcustodian employed pursuant to Section 2 hereof, or in the name or nominee name of The Depository Trust Company or Participants Trust Company or Approved Clearing Agency or Federal Book-Entry System or Approved Book-Entry System for Commercial Paper; provided, that securities are held in an account of the Custodian or of such agent or of such subcustodian containing only assets of the Fund or only assets held by the Custodian or such agent or such subcustodian as a custodian or subcustodian or in a fiduciary capacity for customers. All certificates for securities accepted by the Custodian or any such agent or subcustodian on behalf of the Fund shall be in "street" or other good delivery form or shall be returned to the selling broker or dealer who shall be advised of the reason thereof.

D. BANK ACCOUNTS The Custodian shall open and maintain a separate bank account or accounts in the name of the Fund, subject only to draft or order by the Custodian acting in pursuant to the terms of this Agreement, and shall hold in such account or accounts, subject to the provisions hereof, all cash received by it from or for the account of the Fund other than cash maintained by the Fund in a bank account established and used in accordance with Rule 17f-3 under the Investment Company Act of 1940. Funds held by the Custodian for the Fund may be deposited by it to its credit as Custodian in the Banking Department of the Custodian or in such other banks or trust companies as the Custodian may in its discretion deem necessary or desirable; provided, however, that every such bank or trust company shall be qualified to act as a custodian under the Investment Company Act of 1940 and that each such bank or trust company and the funds to be deposited with each such bank or trust company shall be approved in writing by two officers of the Fund. Such funds shall be deposited by the Custodian in its capacity as Custodian and shall be subject to withdrawal only by the Custodian in that capacity.

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E. PAYMENT FOR SHARES OF THE FUND The Custodian shall make appropriate arrangements with the Transfer Agent and the principal underwriter of the Fund to enable the Custodian to make certain it promptly receives the cash or other consideration due to the Fund for such new or treasury Shares as may be issued or sold from time to time by the Fund, in accordance with the governing documents and offering prospectus and statement of additional information of the Fund. The Custodian will provide prompt notification to the Fund of any receipt by it of payments for Shares of the Fund.

F. INVESTMENT AND AVAILABILITY OF FEDERAL FUNDS Upon agreement between the Fund and the Custodian, the Custodian shall, upon the receipt of proper instructions, which may be continuing instructions when deemed appropriate by the parties, invest in such securities and instruments as may be set forth in such instructions on the same day as received all federal funds received after a time agreed upon between the Custodian and the Fund.

- G. COLLECTIONS The Custodian shall promptly collect all income and other payments with respect to registered securities held hereunder to which the Fund shall be entitled either by law or pursuant to custom in the securities business, and shall promptly collect all income and other payments with respect to bearer securities if, on the date of payment by the issuer, such securities are held by the Custodian or agent thereof and shall credit such income, as collected, to the Fund's custodian account.

The Custodian shall do all things necessary and proper in connection with such prompt collections and, without limiting the generality of the foregoing, the Custodian shall

- 1) Present for payment all coupons and other income items requiring presentations;
- 2) Present for payment all securities which may mature or be called, redeemed, retired or otherwise become payable;
- 3) Endorse and deposit for collection, in the name of the Fund, checks, drafts or other negotiable instruments;
- 4) Credit income from securities maintained in a Securities System or in an Approved Book-Entry System for Commercial Paper at the time funds become available to the Custodian; in the case of securities maintained in The Depository Trust Company funds shall be deemed available to the Fund not later than the opening of business on the first business day after receipt of such funds by the Custodian.

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The Custodian shall notify the Fund as soon as reasonably practicable whenever income due on any security is not promptly collected. In any case in which the Custodian does not receive any due and unpaid income after it has made demand for the same, it shall immediately so notify the Fund in writing, enclosing copies of any demand letter, any written response thereto, and memoranda of all oral responses thereto and to telephonic demands, and await instructions from the Fund; the Custodian shall in no case have any liability for any nonpayment of such income provided the Custodian meets the standard of care set forth in Section 8 hereof. The Custodian shall not be obligated to take legal action for collection unless and until reasonably indemnified to its satisfaction.

The Custodian shall also receive and collect all stock dividends, rights and other items of like nature, and deal with the same pursuant to proper instructions relative thereto.

- H. PAYMENT OF FUND MONEYS Upon receipt of proper instructions, which may be continuing instructions when deemed appropriate by the parties, the Custodian shall pay out moneys of the Fund in the following cases only:

- 1) Upon the purchase of securities, participation interests, options, futures contracts, forward contracts and options on futures contracts purchased for the account of the Fund but only (a) against the receipt of
 - (i) such securities registered as provided in Paragraph C hereof or in proper form for transfer or

- (ii) detailed instructions signed by an officer of the Fund regarding the participation interests to be purchased or
- (iii) written confirmation of the purchase by the Fund of the options, futures contracts, forward contracts or options on futures contracts

by the Custodian (or by a subcustodian employed pursuant to Section 2 hereof or by a clearing corporation of a national securities exchange of which the Custodian is a member or by any bank, banking institution or trust company doing business in the United States or abroad which is qualified under the Investment Company Act of 1940 to act as a custodian and which has been designated by the Custodian as its agent for this purpose or by the agent specifically designated in such instructions as representing the purchasers of a new issue of privately placed securities); (b) in the case of a purchase effected through a Securities System, upon receipt of the securities by the Securities System in accordance with the conditions set forth in Paragraph L hereof; (c) in the case of a purchase of commercial paper effected through an Approved Book-Entry System for Commercial Paper, upon

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receipt of the paper by the Custodian or subcustodian in accordance with the conditions set forth in Paragraph M hereof; (d) in the case of repurchase agreements entered into between the Fund and another bank or a broker-dealer, against receipt by the Custodian of the securities underlying the repurchase agreement either in certificate form or through an entry crediting the Custodian's segregated, non-proprietary account at the Federal Reserve Bank of Boston with such securities along with written evidence of the agreement by the bank or broker-dealer to repurchase such securities from the Fund; or (e) with respect to securities purchased outside of the United States, in accordance with written procedures agreed to from time to time in writing by the parties hereto;

- 2) When required in connection with the conversion, exchange or surrender of securities owned by the Fund as set forth in Paragraph B hereof;
- 3) When required for the redemption or repurchase of Shares of the Fund in accordance with the provisions of Paragraph J hereof;
- 4) For the payment of any expense or liability incurred by the Fund, including but not limited to the following payments for the account of the Fund: advisory fees, distribution plan payments, interest, taxes, management compensation and expenses, accounting, transfer agent and legal fees, and other operating expenses of the Fund whether or not such expenses are to be in whole or part capitalized or treated as deferred expenses;
- 5) For the payment of any dividends or other distributions to holders of Shares declared or authorized by the Board; and
- 6) For any other proper corporate purpose, but only upon

receipt of, in addition to proper instructions, a certified copy of a vote of the Board, specifying the amount of such payment, setting forth the purpose for which such payment is to be made, declaring such purpose to be a proper corporate purpose, and naming the person or persons to whom such payment is to be made.

- I. **LIABILITY FOR PAYMENT IN ADVANCE OF RECEIPT OF SECURITIES PURCHASED** In any and every case where payment for purchase of securities for the account of the Fund is made by the Custodian in advance of receipt of the securities purchased in the absence of specific written instructions signed by two officers of the Fund to so pay in advance, the Custodian shall be absolutely liable to the Fund for such securities to the same extent as if the securities had been received by the Custodian; EXCEPT that in the case of a repurchase agreement

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entered into by the Fund with a bank which is a member of the Federal Reserve System, the Custodian may transfer funds to the account of such bank prior to the receipt of (i) the securities in certificate form subject to such repurchase agreement or (ii) written evidence that the securities subject to such repurchase agreement have been transferred by book-entry into a segregated non-proprietary account of the Custodian maintained with the Federal Reserve Bank of Boston or (iii) the safekeeping receipt, PROVIDED that such securities have in fact been so transferred by book-entry and the written repurchase agreement is received by the Custodian in due course; AND EXCEPT that if the securities are to be purchased outside the United States, payment may be made in accordance with procedures agreed to from time to time by the parties hereto.

- J. **PAYMENTS FOR REPURCHASES OR REDEMPTIONS OF SHARES OF THE FUND** From such funds as may be available for the purpose, but subject to any applicable votes of the Board and the current redemption and repurchase procedures of the Fund, the Custodian shall, upon receipt of written instructions from the Fund or from the Fund's transfer agent or from the principal underwriter, make funds and/or portfolio securities available for payment to holders of Shares who have caused their Shares to be redeemed or repurchased by the Fund or for the Fund's account by its transfer agent or principal underwriter.

The Custodian may maintain a special checking account upon which special checks may be drawn by shareholders of the Fund holding Shares for which certificates have not been issued. Such checking account and such special checks shall be subject to such rules and regulations as the Custodian and the Fund may from time to time adopt. The Custodian or the Fund may suspend or terminate use of such checking account or such special checks (either generally or for one or more shareholders) at any time. The Custodian and the Fund shall notify the other immediately of any such suspension or termination.

- K. **APPOINTMENT OF AGENTS BY THE CUSTODIAN** The Custodian may at any time or times in its discretion appoint (and may at any time remove) any other bank or trust company (provided such bank or trust company is itself qualified under the Investment Company Act of 1940 to act as a custodian or is itself an eligible foreign

custodian within the meaning of Rule 17f-5 under said Act) as the agent of the Custodian to carry out such of the duties and functions of the Custodian described in this Section 3 as the Custodian may from time to time direct; provided, however, that the appointment of any such agent shall not relieve the Custodian of any of its responsibilities or liabilities hereunder, and as between the Fund and the Custodian the Custodian shall be fully responsible for the acts and omissions of any such agent. For the purposes of this Agreement, any property of the Fund held by any such agent shall be deemed to be held by the Custodian hereunder.

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L. DEPOSIT OF FUND PORTFOLIO SECURITIES IN SECURITIES SYSTEMS The Custodian may deposit and/or maintain securities owned by the Fund

- (1) in The Depository Trust Company;
- (2) in Participants Trust Company;
- (3) in any other Approved Clearing Agency;
- (4) in the Federal Book-Entry System; or
- (5) in an Approved Foreign Securities Depository

in each case only in accordance with applicable Federal Reserve Board and Securities and Exchange Commission rules and regulations, and at all times subject to the following provisions:

- (a) The Custodian may (either directly or through one or more subcustodians employed pursuant to Section 2) keep securities of the Fund in a Securities System provided that such securities are maintained in a non-proprietary account ("Account") of the Custodian or such subcustodian in the Securities System which shall not include any assets of the Custodian or such subcustodian or any other person other than assets held by the Custodian or such subcustodian as a fiduciary, custodian, or otherwise for its customers.
- (b) The records of the Custodian with respect to securities of the Fund which are maintained in a Securities System shall identify by book-entry those securities belonging to the Fund, and the Custodian shall be fully and completely responsible for maintaining a recordkeeping system capable of accurately and currently stating the Fund's holdings maintained in each such Securities System.
- (c) The Custodian shall pay for securities purchased in book-entry form for the account of the Fund only upon (i) receipt of notice or advice from the Securities System that such securities have been transferred to the Account, and (ii) the making of any entry on the records of the Custodian to reflect such payment and transfer for the account of the Fund. The Custodian shall transfer securities sold for the account of the Fund only upon (i) receipt of notice or advice from the Securities System that payment for such securities has been transferred to the Account, and (ii) the making of an entry on the records of the Custodian to reflect such transfer and payment for the account of the Fund. Copies of all notices or advises from the Securities System of

transfers of securities for the account of the Fund shall identify the Fund, be maintained for the Fund by the Custodian and be promptly provided to the Fund at its request.

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The Custodian shall promptly send to the Fund confirmation of each transfer to or from the account of the Fund in the form of a written advice or notice of each such transaction, and shall furnish to the Fund copies of daily transaction sheets reflecting each day's transactions in the Securities System for the account of the Fund on the next business day.

- (d) The Custodian shall promptly send to the Fund any report or other communication received or obtained by the Custodian relating to the Securities System's accounting system, system of internal accounting controls or procedures for safeguarding securities deposited in the Securities System; the Custodian shall promptly send to the Fund any report or other communication relating to the Custodian's internal accounting controls and procedures for safeguarding securities deposited in any Securities System; and the Custodian shall ensure that any agent appointed pursuant to Paragraph K hereof or any subcustodian employed pursuant to Section 2 hereof shall promptly send to the Fund and to the Custodian any report or other communication relating to such agent's or subcustodian's internal accounting controls and procedures for safeguarding securities deposited in any Securities System. The Custodian's books and records relating to the Fund's participation in each Securities System will at all times during regular business hours be open to the inspection of the Fund's authorized officers, employees or agents.
- (e) The Custodian shall not act under this Paragraph L in the absence of receipt of a certificate of an officer of the Fund that the Board has approved the use of a particular Securities System; the Custodian shall also obtain appropriate assurance from the officers of the Fund that the Board has annually reviewed and approved the continued use by the Fund of each Securities System, so long as such review and approval is required by Rule 17f-4 under the Investment Company Act of 1940, and the Fund shall promptly notify the Custodian if the use of a Securities System is to be discontinued; at the request of the Fund, the Custodian will terminate the use of any such Securities System as promptly as practicable.
- (f) Anything to the contrary in this Agreement notwithstanding, the Custodian shall be liable to the Fund for any loss or damage to the Fund resulting from use of the Securities System by reason of any negligence, misfeasance or misconduct of the Custodian or any of its agents or subcustodians or of any of its or their employees or from any failure of the Custodian or any such agent or subcustodian to enforce effectively such rights as it may have against the Securities System or any other person; at the election of the Fund, it shall be entitled to be

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subrogated to the rights of the Custodian with respect to any claim against the Securities System or any other person which the Custodian may have as a consequence of any such loss or damage if and to the extent that the Fund has not been made whole for any

such loss or damage.

M. DEPOSIT OF FUND COMMERCIAL PAPER IN AN APPROVED BOOK-ENTRY SYSTEM FOR COMMERCIAL PAPER Upon receipt of proper instructions with respect to each issue of direct issue commercial paper purchased by the Fund, the Custodian may deposit and/or maintain direct issue commercial paper owned by the Fund in any Approved Book-Entry System for Commercial Paper, in each case only in accordance with applicable Securities and Exchange Commission rules, regulations, and no-action correspondence, and at all times subject to the following provisions:

- (a) The Custodian may (either directly or through one or more subcustodians employed pursuant to Section 2) keep commercial paper of the Fund in an Approved Book-Entry System for Commercial Paper, provided that such paper is issued in book entry form by the Custodian or subcustodian on behalf of an issuer with which the Custodian or subcustodian has entered into a book-entry agreement and provided further that such paper is maintained in a non-proprietary account ("Account") of the Custodian or such subcustodian in an Approved Book-Entry System for Commercial Paper which shall not include any assets of the Custodian or such subcustodian or any other person other than assets held by the Custodian or such subcustodian as a fiduciary, custodian, or otherwise for its customers.
- (b) The records of the Custodian with respect to commercial paper of the Fund which is maintained in an Approved Book-Entry System for Commercial Paper shall identify by book-entry each specific issue of commercial paper purchased by the Fund which is included in the System and shall at all times during regular business hours be open for inspection by authorized officers, employees or agents of the Fund. The Custodian shall be fully and completely responsible for maintaining a recordkeeping system capable of accurately and currently stating the Fund's holdings of commercial paper maintained in each such System.
- (c) The Custodian shall pay for commercial paper purchased in book-entry form for the account of the Fund only upon contemporaneous (i) receipt of notice or advice

from the issuer that such paper has been issued, sold and transferred to the Account, and (ii) the making of an entry on the records of the Custodian to reflect such purchase, payment and transfer for the account of the Fund. The Custodian shall transfer such commercial

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paper which is sold or cancel such commercial paper which is redeemed for the account of the Fund only upon contemporaneous (i) receipt of notice or advice that payment for such paper has been transferred to the Account, and (ii) the making of an entry on the records of the Custodian to reflect such transfer or redemption and payment for the account of the Fund. Copies of all notices, advises and confirmations of transfers of commercial paper for the account of the Fund shall identify the Fund, be maintained for the Fund by the Custodian and be promptly provided to the Fund at its request. The

Custodian shall promptly send to the Fund confirmation of each transfer to or from the account of the Fund in the form of a written advice or notice of each such transaction, and shall furnish to the Fund copies of daily transaction sheets reflecting each day's transactions in the System for the account of the Fund on the next business day.

(d) The Custodian shall promptly send to the Fund any report or other communication received or obtained by the Custodian relating to each System's accounting system, system of internal accounting controls or procedures for safeguarding commercial paper deposited in the System; the Custodian shall promptly send to the Fund any report or other communication relating to the Custodian's internal accounting controls and procedures for safeguarding commercial paper deposited in any Approved Book-Entry System for Commercial Paper; and the Custodian shall ensure that any agent appointed pursuant to Paragraph K hereof or any subcustodian employed pursuant to Section 2 hereof shall promptly send to the Fund and to the Custodian any report or other communication relating to such agent's or subcustodian's internal accounting controls and procedures for safeguarding securities deposited in any Approved Book-Entry System for Commercial Paper.

(e) The Custodian shall not act under this Paragraph M in the absence of receipt of a certificate of an officer of the Fund that the Board has approved the use of a particular Approved Book-Entry System for Commercial Paper; the Custodian shall also obtain appropriate assurance from the officers of the Fund that the Board

has annually reviewed and approved the continued use by the Fund of each Approved Book-Entry System for Commercial Paper, so long as such review and approval is required by Rule 17f-4 under the Investment Company Act of 1940, and the Fund shall promptly notify the Custodian if the use of an Approved Book-Entry System for Commercial Paper is to be discontinued; at the request of the Fund, the Custodian will terminate the use of any such System as promptly as practicable.

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(f) The Custodian (or subcustodian, if the Approved Book-Entry System for Commercial Paper is maintained by the subcustodian) shall issue physical commercial paper or promissory notes whenever requested to do so by the Fund or in the event of an electronic system failure which impedes issuance, transfer or custody of direct issue commercial paper by book-entry.

(g) Anything to the contrary in this Agreement notwithstanding, the Custodian shall be liable to the Fund for any loss or damage to the Fund resulting from use of any Approved Book-Entry System for Commercial Paper by reason of any negligence, misfeasance or misconduct of the Custodian or any of its agents or subcustodians or of any of its or their employees or from any failure of the

Custodian or any such agent or subcustodian to enforce effectively such rights as it may have against the System, the issuer of the commercial paper or any other person; at the election of the Fund, it shall be entitled to be subrogated to the rights of the Custodian with respect to any claim against the System, the issuer of the commercial paper or any other person which the Custodian may have as a consequence of any such loss or damage if and to the extent that the Fund has not been made whole for any such loss or damage.

N. SEGREGATED ACCOUNT The Custodian shall upon receipt of proper instructions establish and maintain a segregated account or accounts for and on behalf of the Fund, into which account or accounts may be transferred cash and/or securities, including securities maintained in an account by the Custodian pursuant to Paragraph L hereof, (i) in accordance with the provisions of any agreement among the Fund, the Custodian and any registered broker-dealer (or any futures commission merchant), relating to compliance with the rules of the Options Clearing Corporation and of any registered national securities exchange (or of the Commodity Futures Trading Commission or of any contract market or commodities exchange), or of any similar

organization or organizations, regarding escrow or deposit or other arrangements in connection with transactions by the Fund, (ii) for purposes of segregating cash or U.S. Government securities in connection with options purchased, sold or written by the Fund or futures contracts or options thereon purchased or sold by the Fund, (iii) for the purposes of compliance by the Fund with the procedures required by Investment Company Act Release No. 10666, or any subsequent release or releases of the Securities and Exchange Commission relating to the maintenance of segregated accounts by registered investment companies and (iv) for other proper purposes, but only, in the case of clause (iv), upon receipt of, in addition to proper instructions, a certificate signed by two officers of the Fund, setting forth the purpose such segregated account and declaring such purpose to be a proper purpose.

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O. OWNERSHIP CERTIFICATES FOR TAX PURPOSES The Custodian shall execute ownership and other certificates and affidavits for all federal and state tax purposes in connection with receipt of income or other payments with respect to securities of the Fund held by it and in connection with transfers of securities.

P. PROXIES The Custodian shall, with respect to the securities held by it hereunder, cause to be promptly delivered to the Fund all forms of proxies and all notices of meetings and any other notices or announcements or other written information affecting or relating to the securities, and upon receipt of proper instructions shall execute and deliver or cause its nominee to execute and deliver such proxies or other authorizations as may be required. Neither the Custodian nor its nominee shall vote upon any of the securities or execute any proxy to vote thereon or give any consent or take any other action with respect thereto (except as otherwise herein provided) unless ordered to do so by proper instructions.

Q. COMMUNICATIONS RELATING TO FUND PORTFOLIO SECURITIES The Custodian shall deliver promptly to the Fund all written information (including, without limitation, pendency of call and maturities of securities and participation interests and expirations of rights in connection therewith and notices of exercise of call and put options written by the Fund and the maturity of futures contracts purchased or sold by the Fund) received by the Custodian from issuers and other persons relating to the securities and participation interests being held for the Fund. With respect to tender or exchange offers, the Custodian shall deliver promptly to the Fund all written information

received by the Custodian from issuers and other persons relating to the securities and participation interests whose tender or exchange is sought and from the party (or his agents) making the tender or exchange offer.

R. EXERCISE OF RIGHTS; TENDER OFFERS In the case of tender offers, similar offers to purchase or exercise rights (including, without limitation, pendency of calls and maturities of securities and participation interests and expirations of rights in connection therewith and notices of exercise of call and put options and the maturity of futures contracts) affecting or relating to securities and participation interests held by the Custodian under this Agreement, the Custodian shall have responsibility for promptly notifying the Fund of all such offers in accordance with the standard of reasonable care set forth in Section 8 hereof. For all such offers for which the Custodian is responsible as provided in this Paragraph R, the Fund shall have responsibility for providing the Custodian with all necessary instructions in timely fashion. Upon receipt of proper instructions, the Custodian shall timely deliver to the issuer or trustee thereof, or to the agent of either, warrants, puts, calls, rights or similar

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securities for the purpose of being exercised or sold upon proper receipt therefor and upon receipt of assurances satisfactory to the Custodian that the new securities and cash, if any, acquired by such action are to be delivered to the Custodian or any subcustodian employed pursuant to Section 2 hereof. Upon receipt of proper instructions, the Custodian shall timely deposit securities upon invitations for tenders of securities upon proper receipt therefor and upon receipt of assurances satisfactory to the Custodian that the consideration to be paid or delivered or the tendered securities are to be returned to the Custodian or subcustodian employed pursuant to Section 2 hereof.

Notwithstanding any provision of this Agreement to the contrary, the Custodian shall take all necessary action, unless otherwise directed to the contrary by proper instructions, to comply with the terms of all mandatory or compulsory exchanges, calls, tenders, redemptions, or similar rights of security ownership, and shall thereafter promptly notify the Fund in writing of such action.

S. DEPOSITORY RECEIPTS The Custodian shall, upon receipt of proper instructions, surrender or cause to be surrendered foreign securities to the depository used by an issuer of American Depository Receipts, European Depository Receipts or International Depository Receipts (hereinafter collectively referred to as "ADRs") for such securities, against a written receipt therefor

adequately describing such securities and written evidence satisfactory to the Custodian that the depository has acknowledged receipt of instructions to issue with respect to such securities ADRs in the name of a nominee of the Custodian or in the name or nominee name of any subcustodian employed pursuant to Section 2 hereof, for delivery to the Custodian or such subcustodian at such place as the Custodian or such subcustodian may from time to time designate. The Custodian shall, upon receipt of proper instructions, surrender ADRs to the issuer thereof against a written receipt therefor adequately describing the ADRs surrendered and written evidence satisfactory to the Custodian that the issuer of the ADRs has acknowledged receipt of instructions to cause its depository to deliver the securities underlying such ADRs to the Custodian or to a subcustodian employed pursuant to Section 2 hereof.

T. INTEREST BEARING CALL OR TIME DEPOSITS The Custodian shall, upon receipt of proper instructions, place interest bearing fixed term and call deposits with the banking department of such banking institution (other than the Custodian) and in such amounts as the Fund may designate. Deposits may be denominated in U.S. Dollars or other currencies. The Custodian shall include in its records with respect to the assets of the Fund appropriate notation as to the amount and currency of each such deposit, the accepting banking institution and other appropriate details and shall retain such forms of advice or receipt evidencing the deposit, if any, as may be forwarded to the Custodian by the banking

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institution. Such deposits shall be deemed portfolio securities of the applicable Fund for the purposes of this Agreement, and the Custodian shall be responsible for the collection of income from such accounts and the transmission of cash to and from such accounts.

U. Options, Futures Contracts and Foreign Currency Transactions

1. OPTIONS. The Custodians shall, upon receipt of proper instructions and in accordance with the provisions of any agreement between the Custodian, any registered broker-dealer and, if necessary, the Fund, relating to compliance with the rules of the Options Clearing Corporation or of any registered national securities exchange or similar organization or organizations, receive and retain confirmations or other documents, if any, evidencing the purchase or writing of an option on a security, securities index, currency or other financial instrument or index by the Fund;

deposit and maintain in a segregated account for each Fund separately, either physically or by book-entry in a Securities System, securities subject to a covered call option written by the Fund; and release and/or transfer such securities or other assets only in accordance with a notice or other communication evidencing the expiration, termination or exercise of such covered option furnished by the Options Clearing Corporation, the securities or options exchange on which such covered option is traded or such other organization as may be responsible for handling such options transactions. The Custodian and the

broker-dealer shall be responsible for the sufficiency of assets held in each Fund's segregated account in compliance with applicable margin maintenance requirements.

2. FUTURE CONTRACTS The Custodian shall, upon receipt of proper instructions, receive and retain confirmations and other documents, if any, evidencing the purchase or sale of a futures contract or an option on a futures contract by the Fund; deposit and maintain in a segregated account, for the benefit of any futures commission merchant, assets designated by the Fund as initial, maintenance or variation "margin" deposits (including mark- to-market payments) intended to secure the Fund's performance of its obligations under any futures contracts purchased or sold or any options on futures contracts written by Fund, in accordance with the provisions of any agreement or agreements among the Fund, the Custodian and such futures commission merchant, designed to comply with the rules of the Commodity Futures Trading Commission and/or of any contract market or commodities exchange or similar organization regarding such margin deposits or payments; and release and/or transfer assets in such margin accounts only in

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accordance with any such agreements or rules. The Custodian and the futures commission merchant shall be responsible for the sufficiency of assets held in the segregated account in compliance with the applicable margin maintenance and mark-to-market payment requirements.

3. FOREIGN EXCHANGE TRANSACTIONS The Custodian shall, pursuant to proper instructions, enter into or cause a subcustodian to enter into foreign exchange contracts, currency swaps or options to purchase and sell foreign currencies for spot and future delivery on behalf and for the account of the Fund. Such transactions may be undertaken by the Custodian or subcustodian with such banking or financial institutions or other currency brokers, as set forth in proper instructions. Foreign exchange contracts, swaps and options shall be deemed to be portfolio securities of the Fund; and accordingly, the responsibility of the Custodian therefor shall be the same as and no greater than the Custodian's responsibility in respect of other portfolio securities of the Fund. The Custodian shall be responsible for the transmittal to and receipt of cash from the currency broker or banking or financial institution with which the contract or option is made, the maintenance of proper records with respect to the transaction and the maintenance of any segregated account required in connection with the transaction. The Custodian shall have no duty with respect to the selection of the currency brokers or banking or financial institutions with which the Fund deals or for their failure to comply with the terms of any contract or option. Without limiting the foregoing, it is agreed that upon receipt of proper instructions and insofar as funds are made available to the Custodian for the purpose, the Custodian may (if determined necessary by the Custodian to

consummate a particular transaction on behalf and for the account of the Fund) make free outgoing payments of cash in the form of U.S. dollars or foreign currency before receiving confirmation of a foreign exchange contract or swap or confirmation that the countervalue currency completing the foreign exchange contract or swap has been delivered or received. The Custodian shall not be responsible for any costs and interest charges which may be incurred by the Fund or the Custodian as a result of the failure or delay of third parties to deliver foreign exchange; provided that the Custodian shall nevertheless be held to the standard of care set forth in, and shall be liable to the Fund in accordance with, the provisions of Section 8.

V. ACTIONS PERMITTED WITHOUT EXPRESS AUTHORITY The Custodian may in its discretion, without express authority from the Fund:

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- 1) make payments to itself or others for minor expenses of handling securities or other similar items relating to its duties under this Agreement, PROVIDED, that all such payments shall be accounted for by the Custodian to the Treasurer of the Fund;
- 2) surrender securities in temporary form for securities in definitive form;
- 3) endorse for collection, in the name of the Fund, checks, drafts and other negotiable instruments; and
- 4) in general, attend to all nondiscretionary details in connection with the sale, exchange, substitution, purchase, transfer and other dealings with the securities and property of the Fund except as otherwise directed by the Fund.

4. Duties of Bank with Respect to Books of Account and Calculations of Net Asset Value

The Bank shall as Agent (or as Custodian, as the case may be) keep such books of account and render as at the close of business on each day a detailed statement of the amounts received or paid out and of securities received or delivered for the account of the Fund during said day and such other statements, including a daily trial balance and inventory of the Fund's portfolio securities; and shall furnish such other financial information and data as from time to time requested by the Treasurer or any authorized officer of the Fund; and shall compute and determine, as of the close of regular trading on the New York Stock Exchange, or at such other time or times as the Board may determine, the net asset value of a Share in the Fund, such computation and determination to be made in accordance with the governing documents of the Fund and the votes and instructions of the Board at the time in force and applicable, and promptly notify the Fund and its investment adviser and such other persons as the Fund may request of the result of such computation and determination. In computing the net asset value the Custodian may rely upon security quotations received by telephone or otherwise from sources or pricing services designated by the Fund by proper instructions, and may further rely upon information furnished to it by any authorized officer of the Fund relative (a) to liabilities of the Fund not appearing on its books of

account, (b) to the existence, status and proper treatment of any reserve or reserves, (c) to any procedures established by the Board regarding the valuation of portfolio securities, and (d) to the value to be assigned to any bond, note, debenture, Treasury bill, repurchase agreement, subscription right, security, participation interest or other asset or property for which market quotations are not readily available.

5. Records and Miscellaneous Duties

The Bank shall create, maintain and preserve all records relating to its activities and obligations under this Agreement in such manner as will meet the obligations of the Fund

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under the Investment Company Act of 1940, with particular attention to Section 31 thereof and Rules 31a-1 and 31a-2 thereunder, applicable federal and state tax laws and any other law or administrative rules or procedures which may be applicable to the Fund. All books of account and records maintained by the Bank in connection with the performance of its duties under this Agreement shall be the property of the Fund, shall at all times during the regular business hours of the Bank be open for inspection by authorized officers, employees or agents of the Fund, and in the event of termination of this Agreement shall be delivered to the Fund or to such other person or persons as shall be designated by the Fund. Disposition of any account or record after any required period of preservation shall be only in accordance with specific instructions received from the Fund. The Bank shall assist generally in the preparation of reports to shareholders, audits of accounts, and other ministerial matters of like nature; and, upon request, shall furnish the Fund's auditors with an attested inventory of securities held with appropriate information as to securities in transit or in the process of purchase or sale and with such other information as said auditors may from time to time request. The Custodian shall also maintain records of all receipts, deliveries and locations of such securities, together with a current inventory thereof, and shall conduct periodic verifications (including sampling counts at the Custodian) of certificates representing bonds and other securities for which it is responsible under this Agreement in such manner as the Custodian shall determine from time to time to be advisable in order to verify the accuracy of such inventory. The Bank shall not disclose or use any books or records it has prepared or maintained by reason of this Agreement in any manner except as expressly authorized herein or directed by the Fund, and the Bank shall keep confidential any information obtained by reason of this Agreement.

6. Opinion of Fund's Independent Public Accountants

The Custodian shall take all reasonable action, as the Fund may from time to time request, to enable the Fund to obtain from year to year favorable opinions from the Fund's independent public accountants with respect to its activities hereunder in connection with the preparation of the Fund's registration statement and Form N-SAR or other periodic reports to the Securities and Exchange Commission and with respect to any other requirements of such Commission.

7. Compensation and Expenses of Bank

The Bank shall be entitled to reasonable compensation for its services as Custodian and Agent, as agreed upon from time to time between the Fund and the Bank. The Bank shall entitled to receive from the Fund on demand reimbursement

for its cash disbursements, expenses and charges, including counsel fees, in connection with its duties as Custodian and Agent hereunder, but excluding salaries and usual overhead expenses.

8. Responsibility of Bank

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So long as and to the extent that it is in the exercise of reasonable care, the Bank as Custodian and Agent shall be held harmless in acting upon any notice, request, consent, certificate or other instrument reasonably believed by it to be genuine and to be signed by the proper party or parties.

The Bank as Custodian and Agent shall be entitled to rely on and may act upon advice of counsel (who may be counsel for the Fund) on all matters, and shall be without liability for any action reasonably taken or omitted pursuant to such advice.

The Bank as Custodian and Agent shall be held to the exercise of reasonable care in carrying out the provisions of this Agreement but shall be liable only for its own negligent or bad faith acts or failures to act. Notwithstanding the foregoing, nothing contained in this paragraph is intended to nor shall it be construed to modify the standards of care and responsibility set forth in Section 2 hereof with respect to subcustodians and in subparagraph f of Paragraph L of Section 3 hereof with respect to Securities Systems and in subparagraph g of Paragraph M of Section 3 hereof with respect to an Approved Book-Entry System for Commercial Paper.

The Custodian shall be liable for the acts or omissions of a foreign banking institution to the same extent as set forth with respect to subcustodians generally in Section 2 hereof, provided that, regardless of whether assets are maintained in the custody of a foreign banking institution, a foreign securities depository or a branch of a U.S. bank, the Custodian shall not be liable for any loss, damage, cost, expense, liability or claim resulting from, or caused by, the direction of or authorization by the Fund to maintain custody of any securities or cash of the Fund in a foreign country including, but not limited to, losses resulting from nationalization, expropriation, currency restrictions, acts of war, civil war or terrorism, insurrection, revolution, military or usurped powers, nuclear fission, fusion or radiation, earthquake, storm or other disturbance of nature or acts of God.

If the Fund requires the Bank in any capacity to take any action with respect to securities, which action involves the payment of money or which action may, in the opinion of the Bank, result in the Bank or its nominee assigned to the Fund being liable for the payment of money or incurring liability of some other form, the Fund, as a prerequisite to requiring the Custodian to take such action, shall provide indemnity to the Custodian in an amount and form satisfactory to it.

9. Persons Having Access to Assets of the Fund

- (i) No trustee, director, general partner, officer, employee or agent of the Fund shall have physical access to the assets of the Fund held by the Custodian or be authorized or permitted to withdraw any investments of the Fund, nor shall the Custodian deliver any assets of the Fund to any such person. No officer or director, employee or agent of the Custodian who holds any similar position with the Fund or the

investment adviser of the Fund shall have access to the assets of the Fund.

- (ii) Access to assets of the Fund held hereunder shall only be available to duly authorized officers, employees, representatives or agents of the Custodian or other persons or entities for whose actions the Custodian shall be responsible to the extent permitted hereunder, or to the Fund's independent public accountants in connection with their auditing duties performed on behalf of the Fund.
- (iii) Nothing in this Section 9 shall prohibit any officer, employee or agent of the Fund or of the investment adviser of the Fund from giving instructions to the Custodian or executing a certificate so long as it does not result in delivery of or access to assets of the Fund prohibited by paragraph (i) of this Section 9.

10. Effective Period, Termination and Amendment; Successor Custodian

This Agreement shall become effective as of its execution, shall continue in full force and effect until terminated as hereinafter provided, may be amended at any time by mutual agreement of the parties hereto and may be terminated by either party by an instrument in writing delivered or mailed, postage prepaid to the other party, such termination to take effect not sooner than sixty (60) days after the date of such delivery or mailing; provided, that the Fund may at any time by action of its Board, (i) substitute another bank or trust company for the Custodian by giving notice as described above to the Custodian, or (ii) immediately terminate this Agreement in the event of the appointment of a conservator or receiver for the Custodian by the Federal Deposit Insurance Corporation or by the Banking Commissioner of The Commonwealth of Massachusetts or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction. Upon termination of the Agreement, the Fund shall pay to the Custodian such compensation as may be due as of the date of such termination and shall likewise reimburse the Custodian for its costs, expenses and disbursements.

Unless the holders of a majority of the outstanding Shares of the Fund vote to have the securities, funds and other properties held hereunder delivered and paid over to some other bank or trust company, specified in the vote, having not less than \$2,000,000 of aggregate capital, surplus and undivided profits, as shown by its last published report, and meeting such other qualifications for custodians set forth in the Investment Company Act of 1940, the Board shall, forthwith, upon giving or receiving notice of termination of this Agreement, appoint as successor custodian, a bank or trust company having such qualifications. The Bank, as Custodian, Agent or otherwise, shall, upon termination of the Agreement, deliver to such successor custodian, all securities then held hereunder and all funds or other properties of the Fund deposited with or held by the Bank hereunder and all books of account and records kept by the Bank pursuant to this Agreement, and all documents held by the Bank relative thereto. In the event that no such vote has been

adopted by the shareholders and that no written order designating a successor

custodian shall have been delivered to the Bank on or before the date when such termination shall become effective, then the Bank shall not deliver the securities, funds and other properties of the Fund to the Fund but shall have the right to deliver to a bank or trust company doing business in Boston, Massachusetts of its own selection, having an aggregate capital, surplus and undivided profits, as shown by its last published report, of not less than \$2,000,000, all funds, securities and properties of the Fund held by or deposited with the Bank, and all books of account and records kept by the Bank pursuant to this Agreement, and all documents held by the Bank relative thereto. Thereafter such bank or trust company shall be the successor of the Custodian under this Agreement.

11. Interpretive and Additional Provisions

In connection with the operation of this Agreement, the Custodian and the Fund may from time to time agree on such provisions interpretive of or in addition to the provisions of this Agreement as may in their joint opinion be consistent with the general tenor of this Agreement. Any such interpretive or additional provisions shall be in a writing signed by both parties and shall be annexed hereto, provided that no such interpretive or additional provisions shall contravene any applicable federal or state regulations or any provision of the governing instruments of the Fund. No interpretive or additional provisions made as provided in the preceding sentence shall be deemed to be an amendment of this Agreement.

12. Certification as to Authorized Officers

The Secretary of the Fund shall at all times maintain on file with the Bank his certification to the Bank, in such form as may be acceptable to the Bank, of the names and signatures of the authorized officers of each fund, it being understood that upon the occurrence of any change in the information set forth in the most recent certification on file (including without limitation any person named in the most recent certification who has ceased to hold the office designated therein), the Secretary of the Fund shall sign a new or amended certification setting forth the change and the new, additional or omitted names or signatures. The Bank shall be entitled to rely and act upon any officers named in the most recent certification.

13. Notices

Notices and other writings delivered or mailed postage prepaid to the Fund addressed to Thomas H. Drohan, John Hancock Advisers, Inc., 101 Huntington Avenue, Boston, Massachusetts 02199, or to such other address as the Fund may have designated to the Bank, in writing, or to Investors Bank & Trust Company, 24 Federal Street, Boston, Massachusetts 02110, shall be deemed to have been properly delivered or given hereunder to the respective addressees.

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14. Massachusetts Law to Apply; Limitations on Liability

This Agreement shall be construed and the provisions thereof interpreted under and in accordance with the laws of The Commonwealth of Massachusetts.

If the Fund is a Massachusetts business trust, the Custodian expressly acknowledges the provision in the Fund's declaration of trust limiting the personal liability of the trustees and shareholders of the Fund; and the

Custodian agrees that it shall have recourse only to the assets of the Fund for the payment of claims or obligations as between the Custodian and the Fund arising out of this Agreement, and the Custodian shall not seek satisfaction of any such claim or obligation from the trustees or shareholders of the Fund. Each Fund, and each series or portfolio of a Fund, shall be liable only for its own obligations to the Custodian under this Agreement and shall not be jointly or severally liable for the obligations of any other Fund, series or portfolio hereunder.

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15. Adoption of the Agreement by the Fund

The Fund represents that its Board has approved this Agreement and has duly authorized the Fund to adopt this Agreement. This Agreement shall be deemed to supersede and terminate, as of the date first written above, all prior agreements between the Fund and the Bank relating to the custody of the Fund's assets.

* * * *

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In Witness Whereof, the parties hereto have caused this agreement to be executed in duplicate as of the date first written above by their respective officers thereunto duly authorized.

John Hancock Mutual Funds

by: /s/ Robert G. Freedman

Attest:

/s/Avery P. Maher

Investors Bank & Trust Company

by: /s/ Henry M. Joyce

Attest:

/s/ JM Keenan

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INVESTORS BANK & TRUST COMPANY

APPENDIX A

[EFFECTIVE JANUARY 30, 1995]

John Hancock Limited Term Government Fund
John Hancock Capital Series
 John Hancock Special Value Fund
 John Hancock Growth Fund
John Hancock Income Securities Trust
John Hancock Investors Trust
John Hancock Sovereign Bond Fund
John Hancock Sovereign Investors Fund, Inc.
 John Hancock Sovereign Investors Fund
 John Hancock Sovereign Balanced Fund
John Hancock Special Equities Fund
John Hancock Strategic Series
 John Hancock Independence Diversified Core Equity Fund
 John Hancock Strategic Income Fund
 John Hancock Utilities Fund
John Hancock Tax-Exempt Income Fund
John Hancock Tax-Exempt Series Fund
 California Portfolio
 Massachusetts Portfolio
 New York Portfolio
John Hancock Technology Series, Inc.
 John Hancock National Aviation & Technology Fund
 John Hancock Global Technology Fund
Freedom Investment Trust
 John Hancock Gold & Government Fund
 John Hancock Regional Bank Fund
 John Hancock Sovereign U.S. Government Income Fund
 John Hancock Managed Tax-Exempt Fund
 John Hancock Sovereign Achievers Fund
Freedom Investment Trust II
 John Hancock Special Opportunities Fund
Freedom Investment Trust III
 John Hancock Discovery Fund

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INVESTORS BANK & TRUST COMPANY

APPENDIX A

[EFFECTIVE JANUARY 30, 1995]

John Hancock Series, Inc.
 John Hancock Emerging Growth Fund
 John Hancock Global Resources Fund
 John Hancock Government Income Fund
 John Hancock High Yield Bond Fund
 John Hancock High Yield Tax-Free Fund
 John Hancock Money Market Fund B
John Hancock Cash Reserve, Inc.
John Hancock Current Interest
 John Hancock U.S. Government Cash Reserve
John Hancock Capital Growth Fund
John Hancock Investment Trust
 John Hancock Growth and Income Fund
John Hancock California Tax-Free Income Fund
John Hancock Tax-Free Bond Fund

John Hancock Bond Fund

John Hancock Investment Quality Bond Fund
John Hancock Government Securities Trust
John Hancock U.S. Government Trust
John Hancock Adjustable U.S. Government Trust
John Hancock Adjustable U.S. Government Fund
John Hancock Intermediate Government Trust

John Hancock Institutional Series Trust

John Hancock Berkeley Dividend Performers Fund
John Hancock Berkeley Bond Fund
John Hancock Berkeley Fundamental Value Fund
John Hancock Berkeley Sector Opportunity Fund
John Hancock Independence Diversified Core Equity Fund II
John Hancock Independence Value Fund
John Hancock Independence Growth Fund
John Hancock Independence Medium Capitalization Fund
John Hancock Independence Balanced Fund

TRANSFER AGENCY AND SERVICE AGREEMENT

AGREEMENT made as of the 15th day of May, 1995 by and between JOHN HANCOCK BOND FUND, JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND, JOHN HANCOCK CAPITAL GROWTH FUND, JOHN HANCOCK CASH RESERVE, INC., JOHN HANCOCK CURRENT INTEREST, JOHN HANCOCK INVESTMENT TRUST, JOHN HANCOCK SERIES, INC., JOHN HANCOCK TAX-FREE BOND FUND (each a "Fund") and JOHN HANCOCK INVESTOR SERVICES CORPORATION ("INVESTOR SERVICES"), each having their principal office and place of business at 101 Huntington Avenue, Boston, Massachusetts 02199.

WITNESSETH:

WHEREAS, the Fund desires to appoint INVESTOR SERVICES as its transfer agent, dividend disbursing agent and agent in connection with certain other activities, and INVESTOR SERVICES desires to accept such appointment;

WHEREAS, the Fund is authorized to issue shares in separate series, with each such series representing interests in a separate portfolio of securities and other assets; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Article 1 Terms of Appointment: Duties of INVESTOR SERVICES

1.01 Subject to the terms and conditions set forth in this Agreement, the Fund hereby, employs and appoints INVESTOR SERVICES to act as, and INVESTOR SERVICES agrees to act as transfer agent for the Fund's authorized and issued shares of beneficial interest or common stock, as the case may be ("Shares"), with any accumulation, open-account or similar plans provided to the shareholders of the Fund ("Shareholders") and set out in the currently effective prospectus of the Fund, including without limitation any periodic investment plan or periodic withdrawal program.

1.02 INVESTOR SERVICES agrees that it will perform the following services:

(a) In accordance with procedures established from time to time by agreement between the Fund and INVESTOR SERVICES, INVESTOR SERVICES shall:

(i) Receive for acceptance orders for the purchase of Shares, and promptly deliver payment and appropriate documentation therefor to the custodian of the Fund (the "Custodian");

(ii) Pursuant to purchase orders, issue the appropriate number of Shares and hold such Shares in the appropriate Shareholder account;

(iii) Receive for acceptance, redemption requests and redemption directions and deliver the appropriate documentation therefor to the Custodian;

(iv) At the appropriate time as and when it receives monies paid to it by the Custodian with respect to any redemption, pay over or cause to be paid over in the appropriate manner such monies as instructed by the redeeming Shareholders;

(v) Effect transfers of Shares by the registered owners thereof upon receipt of appropriate instructions;

(vi) Prepare and transmit payments for dividends and distributions declared by the Fund;

(vii) Maintain records of account for and advise the Fund and their Shareholders as to the foregoing; and

(viii) Record the issuance of Shares of the Fund and maintain pursuant to SEC Rule 17Ad-10(e) a record of the total number of Shares of the Fund which are authorized, based upon data provided to it by the Fund, and issued and outstanding. INVESTOR SERVICES shall also provide the Fund on a regular basis with the total number of Shares which are authorized and issued and outstanding and shall have no obligation, when recording the issuance of Shares, to monitor the issuance of such Shares or to take cognizance of any laws relating to the issue or sale of such Shares, which functions shall be the sole responsibility of the Fund.

(b) In addition to and not in lieu of the services set forth in the above paragraph (a), INVESTOR SERVICES shall: (i) perform all of the customary services of a transfer agent, dividend disbursing agent and, as relevant, agent in connection with accumulation, open-account or similar plans (including without limitation any periodic investment plan or periodic withdrawal program); including but not limited to: maintaining all Shareholder accounts, preparing Shareholder meeting lists, mailing proxies, receiving and tabulating proxies, mailing Shareholder reports and prospectuses to current Shareholders, withholding taxes on U.S. resident and non-resident alien accounts, preparing and filing U.S. Treasury Department Forms 1099 and other appropriate forms required with respect to dividends and distributions by federal authorities for all Shareholders, preparing and mailing confirmations forms and statements of account to Shareholders for all purchases and redemptions of Shares and other confirmable transactions in Shareholder accounts, preparing and mailing activity statements for Shareholders, and providing Shareholder account information and (ii) provide a system which will enable the Funds to monitor the total number of Shares sold in each State.

(c) In addition, the Fund shall (i) identify to INVESTOR SERVICES in writing those transactions and assets to be treated as exempt from the blue sky reporting for each State and (ii) verify the establishment of transactions for each State on the system prior to activation and thereafter monitor the daily activity for each State. The responsibility of INVESTOR SERVICES for the Fund's blue sky State registration status is solely limited to the initial establishment of transactions subject to blue sky compliance by the Fund and the reporting of such transactions to the Fund as provided above.

(d) Additionally, INVESTOR SERVICES shall:

(i) Utilize a system to identify all share transactions which involve purchase and redemption orders that are processed at a time other than the time of the computation of net asset

value per share next computed after receipt of such orders, and shall compute the net effect upon the Fund of such transactions so identified on a daily and cumulative basis.

(ii) If upon any day the cumulative net effect of such transactions upon a Fund is negative and exceed a dollar amount equivalent to 1/2 of 1 cent per share, INVESTOR SERVICES shall promptly make a payment to the Fund in cash or through the use of a credit, in the manner described in paragraph (iv) below, in such amount as may be necessary to reduce the negative cumulative net effect to less than 1/2 of 1 cent per share.

(iii) If on the last business day of any month the cumulative net effect upon a Fund (adjusted by the amount of all prior payments and credits by INVESTOR SERVICES and the Fund) is negative, the Fund shall be entitled to a reduction in the fee next payable under the Agreement by an equivalent amount, except as provided in paragraph (iv) below. If on the last business day in any month the cumulative net effect upon a Fund (adjusted by the amount of all prior payments and credits by INVESTOR SERVICES and the Fund) is positive, INVESTOR SERVICES shall be entitled to recover certain past payments and reductions in fees, and to credit against all future payments and fee reductions that may be required under the Agreement as herein described in paragraph (iv) below.

(iv) At the end of each month, any positive cumulative net effect upon a Fund shall be deemed to be a credit to INVESTOR SERVICES which shall first be applied to permit INVESTOR SERVICES to recover any prior cash payments and fee reductions made by it to the Fund under paragraphs (ii) and (iii) above during the calendar year, by increasing the amount of the monthly fee under the Agreement next payable in an amount equal to prior payments and fee reductions made by INVESTOR SERVICES during such calendar year, but not exceeding the sum of that month's credit and credits arising in prior months during such calendar year to the extent such prior credits have not previously been utilized as contemplated by this paragraph. Any portion of a credit to INVESTOR SERVICES not so used by it shall remain as a credit to be used as payment against the amount of any future negative cumulative net effects that would otherwise require a cash payment or fee reduction to be made to the Fund pursuant to paragraphs (ii) or (iii) above (regardless of whether or not the credit or any portion thereof arose in the same calendar year as that in which the negative cumulative net effects or any portion thereof arose).

(v) INVESTOR SERVICES shall supply to the Funds from time to time, as mutually agreed upon, reports summarizing the transactions identified pursuant to paragraph (i) above, and the daily and cumulative net effects of such transactions, and shall advise the Funds at the end of each month of the net cumulative effect at such time. INVESTOR SERVICES shall promptly advise the Funds if at any time the cumulative net effect exceeds a dollar amount equivalent to 1/2 of 1 cent per share.

(vi) In the event that this Agreement is terminated for whatever cause, the Funds shall promptly pay to INVESTOR SERVICES an amount in cash equal to the amount by which the cumulative net effect upon the Funds is positive or, if the cumulative net effect upon the Funds is negative, INVESTOR SERVICES shall promptly pay to the Funds an amount in cash equal to the amount of such cumulative net effect.

Procedures applicable to certain of these services may be established from time to time by agreement between the Fund and INVESTOR SERVICES but the failure of the Funds to establish

such procedures with respect to any service shall not in any way diminish the duty and obligation of INVESTOR SERVICES to perform such services hereunder.

Article 2 Fees and Expenses

2.01 For performance by INVESTOR SERVICES pursuant to this Agreement, the Funds agree to pay INVESTOR SERVICES an annual maintenance fee for each Shareholder account as set forth in the initial fee schedule attached hereto. Such fees and out-of-pocket expenses and advances identified under Section 2.02 below may be changed from time to time subject to mutual written agreement between the Fund and INVESTOR SERVICES.

2.02 In addition to the fee paid under Section 2.01 above the Funds agree to reimburse INVESTOR SERVICES for out-of-pocket expenses or advances incurred by INVESTOR SERVICES for the items set out in the fee schedule attached hereto. In addition, any other expenses incurred by INVESTOR SERVICES at the request or with the consent of the Funds, will be reimbursed by the Funds.

2.03 The Funds agree to pay all fees and reimbursable expenses promptly following the mailing of the respective billing notice. Postage for mailing of dividends, proxies, Fund reports and other mailings to all shareholder accounts shall be advanced to INVESTOR SERVICES by the Funds at least seven (7) days prior to the mailing date of such materials.

Article 3 Indemnification

3.01 INVESTOR SERVICES shall not be responsible for, and the Funds shall indemnify and hold INVESTOR SERVICES harmless from and against, any and all losses, damages, costs, charges, counsel fees, payments, expenses and liabilities arising out of or attributable to:

(a) All actions of INVESTOR SERVICES or its agent or subcontractors required to be taken pursuant to this Agreement, provided that such actions are taken in good faith and without negligence or willful misconduct.

(b) The Funds' refusal or failure to comply with the terms of this Agreement, or which arise out of the Funds' lack of good faith, negligence or willful misconduct or which arise out of the breach of any representation or warranty of the Fund hereunder.

(c) The offer or sale of Shares in violation of any requirement under the federal securities laws or regulations or the securities laws or regulations of any state that such Shares be registered in such state or in violation of any stop order or other determination or ruling by any federal agency or any state with respect to the offer or sale of such Shares in such state unless such violation results from any action or omission by INVESTOR SERVICES or any of its agents or sub-contractors which fails to comply with written instructions of the Fund or any officer of the Fund that no offers or sales be made in general or to the residents of a particular state.

3.02 INVESTOR SERVICES shall indemnify and hold the Fund harmless from and against any and all losses, damages, costs, charges, counsel fees, payments, expenses and liabilities arising out of or attributed to any action or failure or omission to act by INVESTOR SERVICES as a result of INVESTOR SERVICES's lack of good faith, negligence or willful misconduct.

3.03 At any time INVESTOR SERVICES may apply to any officer of the Fund for instructions, and may consult with legal counsel with respect to any matter arising in connection with the services to be performed by INVESTOR SERVICES under this Agreement, and INVESTOR SERVICES and its agents or subcontractors shall not be liable and shall be indemnified by the Fund for any action taken or omitted by it in reliance upon such instructions or upon the opinion of such counsel. INVESTOR SERVICES, its agents and subcontractors shall be protected and indemnified in acting upon any paper or document furnished by or on behalf of the Fund, reasonably believed to be genuine and to have been signed by the proper person or persons, or upon any instruction, information, data, records or documents provided INVESTOR SERVICES or its agents or subcontractors by machine readable input, telex, CRT data entry or other similar means authorized by the Fund, and shall not be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Fund. INVESTOR SERVICES, its agents and subcontractors shall also be protected and indemnified in recognizing share certificates which are reasonably believed to bear the proper manual or facsimile signatures of the officer of the Fund, and the proper countersignature of any former transfer agent or registrar, or of a co-transfer agent or co-registrar.

3.04 In the event either party is unable to perform its obligations under the terms of this Agreement because of acts of God, strikes, equipment or transmission failure or damage reasonably beyond its control, or other causes reasonably beyond its control, such party shall not be liable for damages to the other for any damages resulting from such failure to perform or otherwise from such causes.

3.05 Neither party to this Agreement shall be liable to the other party for consequential damages under any provision of this Agreement or for any act or failure to act hereunder.

3.06 In order that the indemnification provisions contained in this Article 4 shall apply, upon the assertion of a claim for which either party may be required to indemnify the other, the party seeking indemnification shall promptly notify the other party of such assertion, and shall keep the other party advised with respect to all developments concerning such claim. The party who may be required to indemnify shall have the option to participate with the party seeking indemnification in the defense of such claim. The party seeking indemnification shall in no case confess any claim or make any compromise in any case in which the other party may be required to indemnify it except with the other party's prior written consent.

Article 4 Covenants of the Fund and INVESTOR SERVICES

4.01 INVESTOR SERVICES hereby agrees to establish and maintain facilities and procedures reasonably acceptable to the Fund for safekeeping of share certificates, check forms and facsimile signature imprinting devices, if any; and for the preparation or use, and for keeping account of, such certificates, forms and devices.

4.02 INVESTOR SERVICES shall keep records relating to the services to be performed hereunder, in the form and manner as it may deem advisable. To the extent required by Section 31 of the Investment Company Act of 1940, as amended, and the Rules thereunder, INVESTOR SERVICES agrees that all such records prepared or maintained by INVESTOR SERVICES relating to the services to be performed by INVESTOR SERVICES hereunder are the

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property of the Fund and will be preserved, maintained and made available in

accordance with such Section and Rules, and will be surrendered to the Fund on and in accordance with its request.

4.03 INVESTOR SERVICES and the Fund agree that all books, records, information and data pertaining to the business of the other party which are exchanged or received pursuant to the negotiation or the carrying out of this Agreement shall remain confidential, and shall not be voluntarily disclosed to any other person, except as may be required by law.

4.04 In case of any requests or demands for the inspection of the Shareholder records of the Fund, INVESTOR SERVICES will endeavor to notify the Fund and to secure instructions from an authorized officer of the Fund as to such instruction. INVESTOR SERVICES reserves the right, however, to exhibit the Shareholder records to any person whenever it is advised by its counsel that it may be held liable for the failure to exhibit the Shareholder records to such person.

Article 5 Termination of Agreement

5.01 This Agreement may be terminated by either party upon one hundred twenty (120) days' written notice to the other.

5.02 Should the Fund exercise its right to terminate, all out-of-pocket expenses associated with the movement of records and material will be borne by the Fund. Additionally, INVESTOR SERVICES reserves the right to charge for any other reasonable expenses associated with such termination.

Article 6 Assignment

6.01 Except as provided in Section 6.03 below, neither this Agreement nor any rights or obligations hereunder may be assigned by either party without the written consent of the other party.

6.02 This Agreement shall inure to the benefit of and be binding upon the parties and their respective permitted successors and assigns.

6.03 INVESTOR SERVICES may, without further consent on the part of the Fund, subcontract for the performance hereof with (i) Boston Financial Data Services, Inc., a Massachusetts corporation ("BFDS") which is duly registered as a transfer agent pursuant to Section 17A (c)(1) of the Securities Exchange Act of 1934 ("Section 17A (c)(1)"), (ii) or any other entity INVESTOR SERVICES deems appropriate in order to comply with the terms and conditions of this Agreement, provided, however, that INVESTOR SERVICES shall be as fully responsible to the Fund for the acts and omissions of any subcontractor as it is for its own acts and omissions.

Article 7 Amendment

7.01 This Agreement may be amended or modified by a written agreement executed by both parties and authorized or approved by a resolution of the Board of Directors or Trustees, as the case may be, of the Fund.

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Article 8 Massachusetts Law to Apply

8.01 This Agreement shall be construed and the provisions thereof interpreted under and in accordance with the laws of the Commonwealth of Massachusetts.

9.01 This Agreement constitutes the entire agreement between the parties hereto and supersedes any prior agreement with respect to the subject hereof whether oral or written.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their names and on their behalf under their seals by and through their duly authorized officers, as of the day and year first above written.

JOHN HANCOCK BOND FUND
JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND
JOHN HANCOCK CAPITAL GROWTH FUND
JOHN HANCOCK CASH RESERVE, INC.
JOHN HANCOCK CURRENT INTEREST
JOHN HANCOCK INVESTMENT TRUST
JOHN HANCOCK SERIES, INC.
JOHN HANCOCK TAX-FREE BOND FUND

ATTEST:

BY: Anne C. Hodsdon

Anne C. Hodsdon
President

ATTEST

JOHN HANCOCK INVESTOR SERVICES CORPORATION
BY: David A. King

David A. King
President

FEE SCHEDULE

<TABLE>
<CAPTION>
Fund Name Annual Per Account

<S> <C>
John Hancock Cash Reserve \$25.00
John Hancock U.S. Government Cash Reserve \$25.00
Money Market Fund B \$25.00
John Hancock Government Securities Trust - Class A \$20.00
John Hancock Government Securities Trust - Class B \$22.50
John Hancock Investment Quality Bond Fund - Class A \$20.00
John Hancock Investment Quality Bond Fund - Class B \$22.50
John Hancock Capital Growth Fund - Class A \$16.00
John Hancock Capital Growth Fund - Class B \$18.50
John Hancock Growth and Income Fund - Class A \$16.00
John Hancock Growth and Income Fund - Class B \$18.50
John Hancock Intermediate Government Trust - Class A \$16.00

John Hancock Intermediate Government Trust - Class B	\$18.50
John Hancock Tax-Free Bond Fund - Class A	\$19.00
John Hancock Tax-Free Bond Fund - Class B	\$22.50
John Hancock California Tax-Free Income Fund - Class A	\$19.00
John Hancock California Tax-Free Income Fund - Class B	\$21.50
John Hancock U.S. Government Cash Reserve - Class A	\$20.00
John Hancock U.S. Government Cash Reserve - Class B	\$22.50
John Hancock Adjustable U.S. Government Trust - Class A	\$20.00
John Hancock Adjustable U.S. Government Trust - Class B	\$22.50
John Hancock Government Income Fund - Class A	\$20.00
John Hancock Government Income Fund - Class B	\$22.50
John Hancock High Yield Bond Fund - Class A	\$20.00
John Hancock High Yield Bond Fund - Class B	\$22.50
John Hancock High Yield Tax-Free Fund - Class A	\$19.00
John Hancock High Yield Tax-Free Fund - Class B	\$21.50
John Hancock Emerging Growth Fund - Class A	\$16.00
John Hancock Emerging Growth Fund - Class B	\$18.50
John Hancock Global Resources Fund - Class A	\$16.00
John Hancock Global Resources Fund - Class B	\$18.50

</TABLE>

[LOGO] ERNST & YOUNG LLP

- One Houston Center
Suite 2400
1221 McKinney Street
Houston, Texas 77010-2007

- Phone: 713 750 1500
Fax: 713 750 1501

CONSENT OF INDEPENDENT AUDITORS

We consent to the references made to our firm under the captions "Financial Highlights" and "Independent Auditors" and to the use of our report dated September 23, 1994, related to the financial statements of John Hancock Growth and Income Fund, formerly Transamerica Growth and Income Fund, in Post-Effective Amendment No. 73 to the Registration Statement (Form N-1A No. 2-10156) of Transamerica Investment Trust.

ERNST & YOUNG LLP

May 3, 1995

JOHN HANCOCK GROWTH AND INCOME FUND
a series of John Hancock Investment Trust

Distribution Plan

Class A Shares

December 22, 1994

ARTICLE I. THIS PLAN

This Distribution Plan (the "Plan") sets forth the terms and conditions on which John Hancock Investment Trust (the "Trust"), on behalf of John Hancock Growth and Income Fund (the "Fund"), will, after the effective date hereof, pay certain amounts to John Hancock Broker Distribution Services, Inc. ("Broker Services") in connection with the provision by Broker Services of certain services to the Fund and its Class A shareholders, as set forth herein. Certain of such payments by the Trust may, under Rule 12b-1 of the Securities and Exchange Commission, as from time to time amended (the "Rule"), under the Investment Company Act of 1940, as amended (the "Act"), be deemed to constitute the financing of distribution by the Fund of its shares. This Plan describes all material aspects of such financing as contemplated by the Rule and shall be administered and interpreted, and implemented and continued, in a manner consistent with the Rule. The Trust, on behalf of the Fund, and Broker Services have entered into a Distribution Agreement of even date herewith, as amended from time to time (the "Agreement"), the terms of which, as heretofore and from time to time continued, are incorporated herein by reference.

ARTICLE II. DISTRIBUTION AND SERVICE EXPENSES

The Trust, on behalf of the Fund, shall pay to Broker Services a fee in the amount specified in Article III hereof. Such fee may be spent by Broker Services on any activities or expenses primarily intended to result in the sale of Class A shares of the Fund, including, but not limited to the payment of Distribution Expenses (as defined below) and Service Expenses (as defined below). Distribution Expenses include, but are not limited to, (a) initial and ongoing sales compensation payable out of such fee as it is received by Broker Services or other broker-dealers ("Selling Brokers") that have entered into an agreement with Broker Services for the sale of Class A shares of the Fund, (b) direct out-of-pocket expenses incurred in connection with the distribution of Class A shares of the Fund, including expenses related to printing of prospectuses and reports to other than existing Class A shareholders of the Fund, and preparation, printing and distribution of sales literature and advertising

materials, (c) an allocation of overhead and other branch office expenses of Broker Services related to the distribution of Class A

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shares of the Fund, (d) distribution expenses incurred by Transamerica Fund Distributors, Inc. in connection with the Class A shares of the Fund, and (e) distribution expenses incurred in connection with the distribution of a corresponding class of any open-end, registered investment company which sells all or substantially all of its assets to the Fund or which merges or otherwise combines with the Fund.

Service Expenses include payments made to, or on account of, account executives of selected broker-dealers (including affiliates of Broker Services) and others who furnish personal and shareholder account maintenance services to Class A shareholders of the Fund.

ARTICLE III. MAXIMUM EXPENDITURES

The expenditures to be made by the Trust, on behalf of the Fund, pursuant to this Plan, and the basis upon which such expenditures will be made, shall be determined by the Fund, and in no event shall such expenditures exceed an annual rate of 0.25% of the average daily net asset value of the Class A shares of the Fund (determined in accordance with the Fund's prospectus as from time to time in effect) to cover Distribution Expenses and Service Expenses, provided that the portion of such fee used to cover Service Expenses may only constitute up to an annual rate of 0.25% of the average daily net asset value of the Class A shares of the Fund payable annually pursuant to the Plan. Such expenditures shall be calculated and accrued daily and paid monthly or at such other intervals as the Trustees shall determine. In the event Broker Services is not fully reimbursed for payments made or other expenses incurred by it under this Plan, such expenses will not be carried beyond one year from the date such expenses were incurred. Any fees paid to Broker Services under this Plan during any fiscal year of the Fund and not expended or allocated by Broker Services for actual or budgeted Distribution Expenses and Service Expenses during such fiscal year will be promptly returned to the Fund.

ARTICLE IV. EXPENSES BORNE BY THE FUND

Notwithstanding any other provision of this Plan, the Fund and its investment adviser, John Hancock Advisers, Inc. (the "Adviser"), shall bear the respective expenses to be borne by them under the Investment Management Contract dated December 22, 1994, as from time to time continued and amended (the "Management Contract"), and under the Fund's current prospectus as it is from time to time in effect. Except as otherwise contemplated by this Plan, the Trust and the Fund shall not, directly or indirectly, engage in financing any

activity which is primarily intended to or should reasonably result in the sale of shares of the Fund.

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ARTICLE V. APPROVAL BY TRUSTEES

This Plan shall not take effect until it has been approved, together with any related agreements, by votes, cast in person at a meeting called for the purpose of voting on this Plan or such agreements, of a majority (or whatever greater percentage may, from time to time, be required by Section 12(b) of the Act or the rules and regulations thereunder) of (a) all of the Trustees of the Trust and (b) those Trustees of the Trust who are not "interested persons" of the Fund, as such term may be from time to time defined under the Act, and have no direct or indirect financial interest in the operation of this Plan or any agreements related to it (the "Independent Trustees").

ARTICLE VI. CONTINUANCE

This Plan and any related agreements shall continue in effect for so long as such continuance is specifically approved at least annually in advance in the manner provided for the approval of this Plan in Article V.

ARTICLE VII. INFORMATION

Broker Services shall furnish the Fund and its Trustees quarterly, or at such other intervals as the Fund shall specify, a written report of amounts expended or incurred for Distribution Expenses and Service Expenses pursuant to this Plan and the purposes for which such expenditures were made and such other information as the Trustees may request.

ARTICLE VIII. TERMINATION

This Plan 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 Class A shares, or (b) by Broker Services on 60 days' notice in writing to the Fund.

ARTICLE IX. AGREEMENTS

Each agreement with any person relating to implementation of this Plan shall be in writing, and each agreement related to this Plan shall provide:

- (a) That, with respect to the Fund, such agreement may be terminated at any time, without payment of any penalty, by vote of a majority of the Independent Trustees or by vote of a majority of the Fund's then

outstanding voting Class A shares.

- (b) That such agreement shall terminate automatically in the event of its assignment.

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ARTICLE X. AMENDMENTS

This Plan may not be amended to increase the maximum amount of the fees payable by the Fund hereunder without the approval of a majority of the outstanding voting Class A shares of the Fund. No material amendment to the Plan shall, in any event, be effective unless it is approved in the same manner as is provided for approval of this Plan in Article V.

The obligations of the Trust and the Fund are not personally binding upon, nor shall resort be had to the private property of, any of the Trustees, shareholders, officers, employees or agents of the Trust or the Fund, but only the Fund's property shall be bound. The Fund shall not be liable for the obligations of any other series of the Trust.

5

IN WITNESS WHEREOF, the Trust, on behalf of the Fund, has executed this Distribution Plan effective as of the __ day of December, 1994 in Boston, Massachusetts.

JOHN HANCOCK INVESTMENT TRUST
on behalf of
JOHN HANCOCK GROWTH AND INCOME FUND

By:/s/ Thomas M. Simmons

Thomas M. Simmons
President

JOHN HANCOCK BROKER DISTRIBUTION SERVICES, INC.

By:/s/ C. Troy Shaver, Jr.

C. Troy Shaver, Jr.
President and Chief Executive Officer

JOHN HANCOCK GROWTH AND INCOME FUND
a series of John Hancock Investment Trust

Distribution Plan

Class B Shares

December 22, 1994

ARTICLE I. THIS PLAN

This Distribution Plan (the "Plan") sets forth the terms and conditions on which John Hancock Investment Trust (the "Trust"), on behalf of John Hancock Growth and Income Fund (the "Fund"), on behalf of its Class B shares, will, after the effective date hereof, pay certain amounts to John Hancock Broker Distribution Services, Inc. ("Broker Services") in connection with the provision by Broker Services of certain services to the Fund and its Class B shareholders, as set forth herein. Certain of such payments by the Fund may, under Rule 12b-1 of the Securities and Exchange Commission, as from time to time amended (the "Rule"), under the Investment Company Act of 1940, as amended (the "Act"), be deemed to constitute the financing of distribution by the Fund of its shares. This Plan describes all material aspects of such financing as contemplated by the Rule and shall be administered and interpreted, and implemented and continued, in a manner consistent with the Rule. The Trust, on behalf of the Fund, and Broker Services have entered into a Distribution Agreement of even date herewith, as amended from time to time (the "Agreement"), the terms of which, as heretofore and from time to time continued, are incorporated herein by reference.

ARTICLE II. DISTRIBUTION AND SERVICE EXPENSES

The Fund shall pay to Broker Services a fee in the amount specified in Article III hereof. Such fee may be spent by Broker Services on any activities or expenses primarily intended to result in the sale of Class B shares of the Fund, including, but not limited to the payment of Distribution Expenses (as defined below) and Service Expenses (as defined below). Distribution Expenses include but are not limited to, (a) initial and ongoing sales compensation out of such fee as it is received by Broker Services or other broker-dealers ("Selling Brokers") that have entered into an agreement with Broker Services for the sale of Class B shares of the Fund, (b) direct out-of-pocket expenses incurred in connection with the distribution of Class B shares of the Fund, including expenses related to printing of prospectuses and reports to other than

existing Class B shareholders of the Fund, and preparation, printing and distribution of sales literature and advertising materials, (c) an allocation of overhead and other branch office expenses of Broker Services

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related to the distribution of Class B shares of the Fund, (d) distribution expenses incurred by Transamerica Fund Distributors, Inc. in connection with the Class B shares of the Fund, (e) distribution expenses incurred in connection with the distribution of a corresponding class of any open-end, registered investment company which sells all or substantially all of its assets to the Fund or which merges or otherwise combines with the Fund and (f) interest expenses on unreimbursed distribution expenses related to Class B shares as described in Article III hereof.

Service Expenses include payments made to, or on account of, account executives of selected broker-dealers (including affiliates of Broker Services) and others who furnish personal and shareholder account maintenance services to Class B shareholders of the Fund.

ARTICLE III. MAXIMUM EXPENDITURES

The expenditures to be made by the Fund pursuant to this Plan, and the basis upon which such expenditures will be made, shall be determined by the Fund, and in no event shall such expenditures exceed an annual rate of 1.00% of the average daily net asset value of the Class B shares of the Fund (determined in accordance with the Fund's prospectus as from time to time in effect) to cover Distribution Expenses and Service Expenses, provided that the portion of such fee used to cover service expenses shall not exceed an annual rate of up to 0.25% of the average daily net asset value of the Class B shares of the Fund. Such expenditures shall be calculated and accrued daily and paid monthly or at such other intervals as the Trustees shall determine. In the event Broker Services is not fully reimbursed for payments made or other expenses incurred by it under this Plan, Broker Services shall be entitled to carry forward such expenses to subsequent fiscal years for submission to the Class B shares of the Fund for payment, subject always to the annual maximum expenditures set forth in this Article III; provided, however, that nothing herein shall prohibit or limit the Trustees from terminating this Plan and all payments hereunder at any time pursuant to Article VIII hereof.

ARTICLE IV. EXPENSES BORNE BY THE FUND

Notwithstanding any other provision of this Plan, the Trust, the Fund and its investment adviser, John Hancock Advisers, Inc. (the "Adviser"), shall bear the respective expenses to be borne by them under the Investment Management Contract dated December 22, 1994, as from time to time continued and amended

(the "Management Contract"), and under the Fund's current prospectus as it is from time to time in effect. Except as otherwise contemplated by this Plan, the Trust and the Fund shall not, directly or indirectly, engage in financing any activity which is primarily intended to or

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should reasonably result in the sale of Class B shares of the Fund.

ARTICLE V. APPROVAL BY TRUSTEES

This Plan shall not take effect until it has been approved, together with any related agreements, by votes, cast in person at a meeting called for the purpose of voting on this Plan or such agreements, of a majority (or whatever greater percentage may, from time to time, be required by Section 12(b) of the Act or the rules and regulations thereunder) of (a) all of the Trustees of the Trust and (b) those Trustees of the Trust who are not "interested persons" of the Fund, as such term may be from time to time defined under the Act, and have no direct or indirect financial interest in the operation of this Plan or any agreements related to it (the "Independent Trustees").

ARTICLE VI. CONTINUANCE

This Plan and any related agreements shall continue in effect for so long as such continuance is specifically approved at least annually in advance in the manner provided for the approval of this Plan in Article V.

ARTICLE VII. INFORMATION

Broker Services shall furnish the Fund and its Trustees quarterly, or at such other intervals as the Fund shall specify, a written report of amounts expended or incurred for Distribution Expenses and Service Expenses pursuant to this Plan and the purposes for which such expenditures were made and such other information as the Trustees may request.

ARTICLE VIII. TERMINATION

This Plan 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 Class B shares, or (b) by Broker Services on 60 days' notice in writing to the Fund.

ARTICLE IX. AGREEMENTS

Each agreement with any person relating to implementation of this Plan shall be in writing, and each agreement related to this Plan shall provide:

- (a) That, with respect to the Fund, such agreement may be terminated at any time, without payment of any penalty, by vote of a majority of the Independent Trustees or by vote of a majority of the Fund's then outstanding voting Class B shares.

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- (b) That such agreement shall terminate automatically in the event of its assignment.

ARTICLE X. AMENDMENTS

This Plan may not be amended to increase the maximum amount of the fees payable by the Fund hereunder without the approval of a majority of the outstanding voting Class B shares of the Fund. No material amendment to the Plan shall, in any event, be effective unless it is approved in the same manner as is provided for approval of this Plan in Article V.

ARTICLE XI. LIMITATION OF LIABILITY

The obligations of the Trust and the Fund are not personally binding upon, nor shall resort be had to the private property of, any of the Trustees, shareholders, officers, employees or agents of the Trust or the Fund, but only the Fund's property shall be bound. The Fund shall not be liable for the obligations of any other series of the Trust.

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IN WITNESS WHEREOF, the Trust, on behalf of the Fund, has executed this Distribution Plan effective as of the 22 day of December, 1994 in Boston, Massachusetts.

JOHN HANCOCK INVESTMENT TRUST
on behalf of
JOHN HANCOCK GROWTH AND INCOME FUND

By: /s/ Thomas M. Simmons

Thomas M. Simmons
President

By:/s/ C. Troy Shaver, Jr.

C. Troy Shaver, Jr.
President and Chief Executive Officer

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