1933 Act/Rule 481(b)(1)
1940 Act/Rule 22d-1
Form N-1A under both Acts

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ACT ICA of 1940
SECTION 8
RULE
PUBLIC AVAILABILITY 6-28-96

June 25, 1996

Heidi Stam
Associate Director
Office of the Chief Counsel
Division of Investment Management
Securities and Exchange Commission
450 Fifth Street N.W.
Washington, DC 20549

Re: No-action request concerning a new simplified form of prospectus for the registered open-end management investment companies and series (the "Funds") managed or sponsored by John Hancock Advisers, Inc. ("JHA") and distributed by John Hancock Funds, Inc. (collectively, the "Applicants")

Dear Ms. Stam:

Enclosed is a prototype for a new simplified prospectus to be used by the Funds. The enclosed form of consolidated prospectus (the "prototype prospectus") pertains to the growth Funds. The prototype prospectus is being used as a model for preparing consolidated prospectuses for the global/international Funds, the growth and income Funds, the income Funds, the tax-exempt bond Funds and the money market Funds. The Applicants filed the prototype prospectus in post-effective amendments to the growth Funds' registration statements with the Commission in the middle of April, 1996. Pursuant to Rule 485(a) under the Securities Act of 1933 (the "1933 Act"), the prototype prospectus will automatically become effective on July 1, 1996. The Applicants have filed most of the other prospectuses in post-effective amendments to the respective Funds' registration statements with the Commission in June, 1996. These prospectuses will automatically become effective on or after August 30, 1996.

The Applicants' prospectus simplification project was inspired in part by recent appeals for more readable prospectuses by members of the Commission and the Commission's staff. The prototype prospectus was prepared by a team consisting of JHA personnel from various departments and outside consultants specializing in written communications and graphic design. In making decisions about the format of and disclosure in the prospectus, this team focused primarily on the goal of making the prospectus clearer, more accessible and less intimidating to the average investor.

One of the innovative features of the prototype prospectus is the inclusion of an "Overview" section on page 3 of the prospectus. This Overview identifies the investment objective ("goal"), primary investments and investment adviser of the Funds, which are the most important characteristics common to all of the Funds. The Overview also discusses who may or may not be appropriate investors in the Funds and provides a key to the symbols or icons used in the two-page spread devoted to each of the Funds. The Overview is designed to deal with the greater complexity of a prospectus that covers multiple Funds and to help investors compare the similarities and differences among these Funds. It is intended to provide a context for the two-page Fund-specific sections that immediately follow the Overview. Thus, the Overview is intended to be an introduction to the prospectus' investment disclosure, not a summary of the entire prospectus.

One of the team's strategies was to eliminate non-essential or repetitive disclosure and technical language that would conceal the most material disclosure or impede a reader's progress in reaching and understanding that disclosure. The amount of disclosure about any one topic was also affected by the team's effort to present information in manageable segments that would not strain the attention span of the average reader. Accordingly, the Applicants respectfully request that the staff of the Commission advise them that it will not recommend enforcement action to the Commission if the Funds' prospectuses comply with Form N-1A in the manner described in the table set forth below.

Requirement of Form N-1A or Rule	Innovative Prospectus Feature	Rationale for New Feature
Cover Page		
Form N-1A, Items 1(a)(iii) and 3(d)		
The outside cover page is required to include a statement that (A) the prospectus sets forth concisely the information about the registrant that a prospective investor ought to know before investing; (B) the prospectus	The substance of clause (A) and (B) appears on the front cover of the prototype prospectus, but not in the same words.[1] The substance of clause (C) and the last sentence appears on the	The clause (A) and (B) disclosure in the prototype prospectus is more forceful and direct than the language of Form N-1A. The back cover is the most logical place to discuss the availability of additional information and shareholder reports. More space can be devoted to this discussion if it is located

1 The exact language of this disclosure is as follows:

> This prospectus gives vital information about these funds. For your own benefit and protection, please read it before you invest, and keep it on hand for future reference.

Requirement of Form N-1A or Rule	Innovative Prospectus Feature	Rationale for New Feature
should be retained for future reference; and (C) a statement of additional information ("SAI") has been filed with the Commission and is available upon request and without charge. The cover page should also include instructions for obtaining an SAI and a statement that the SAI has been incorporated by reference into the prospectus.	back cover of the prototype prospectus under the heading "For further information."[2] It is accompanied by information about reports to shareholders and how to obtain them.[3]	on the back cover. This extra space and the isolation of this disclosure from other text give it roughly equal prominence with shorter, more crowded disclosure on the front cover page or the financial highlights page. An investor who does not read past the cover page of a prospectus is probably not very interested in obtaining the SAI. This is borne out by the infrequency with which investors currently request SAIs, in spite of the existing requirement for

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2 The exact language of this disclosure is as follows:

> The SAI contains more detailed information on all aspects of the funds. The current annual/semi-annual report is included in the SAI.
>
> A current SAI has been filed with the Securities and Exchange Commission and is incorporated by reference into this prospectus (is legally a part of this prospectus).
>
> To request a free copy of the current annual/semi-annual report or SAI, please write or call: [name, address and phone number of transfer and shareholder service agent].

3 The exact language of this disclosure is as stated in the last sentence in footnote 2 and as follows:

> Two documents are available that offer further information on John Hancock Growth Funds:
>
> **ANNUAL/SEMI-ANNUAL REPORT TO SHAREHOLDERS**
> Includes financial statements, detailed performance information, portfolio holdings, a statement from portfolio management and the auditor's report.

Requirement of Form N-1A or Rule	**Innovative Prospectus Feature**	**Rationale for New Feature**
Item 3(d) requires a statement about the availability of shareholder reports to be located in the financial highlights section of a prospectus.		cover page disclosure. Thus, this requirement appears not to be advancing the Commission's goal of encouraging requests for SAIs. The back outside cover page is a more prominent location for disclosing the availability of shareholder reports than the financial highlights page. If this disclosure is located in the financial highlights section of a multiple fund prospectus, it is likely to be overlooked by investors. Thus, Form N-1A's disclosure goals could be served just as or more effectively with back cover disclosure concerning the availability of the SAI and shareholder reports.
Item 1(iv)		
Requires the date of the prospectus and SAI to be disclosed on the outside cover page.	The date of the prospectus, but not the SAI, is disclosed on the front cover of the prototype prospectus. Instead, the back cover will contain at least one reference to the "current" SAI. Although the date of the SAI will usually be identical to the prospectus date, the SAI date will be disclosed on the back cover whenever it differs from the prospectus date.	As a practical matter, the date of the SAI is virtually always the same as the prospectus date. Any request for an SAI would be interpreted as a request for the currently effective SAI. The use of the word "current" before the word SAI will alert investors who may have an outdated SAI that their original SAI may have been superseded by a more current SAI. Thus, it is not necessary to specify the date of the SAI if it is the same as the prospectus date. Including too many dates on the prospectus cover tends to give it a more legalistic and cluttered appearance, which can be intimidating to investors.

Requirement of Form N-1A or Rule	Innovative Prospectus Feature	Rationale for New Feature
Item 1(v)		
Incorporates the requirements of Rule 481(b)(1) under the Securities Act of 1933 (the "1933 Act"). Rule 481(b)(1) requires the following legend in capital letters printed in ten point Roman type. **"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."**	The Rule 481(b)(1) legend appears on the cover page of the prototype prospectus in bold face type, but not in all upper case letters.	Several studies have shown that all upper case text is measurably harder to read than ordinary upper and lower case text. Lower case words have distinctive shapes that enable readers to read groups of letters. Words printed all in capitals must be read letter by letter because these words do not have distinctive shapes. Therefore, it is less efficient and more tiring to read all capitals text. Miles A. Tinker, *Legibility of Print* (1963); Miles A. Tinker, Prolonged Reading Tasks and Visual Research, 39 J. appl. Psycho. (1955); M.A. Tinker and D.G. Paterson, Influence of Type Form on Speed of Reading, 12 J. appl. Psycho. (1928) at 359-68. The use of all capitals may even cause some readers to skip over all caps text entirely. Although the use of all capitals in the legend was originally intended to emphasize the legend's importance, it instead has the counterproductive effect of making the legend less accessible to investors. The use of bold face type, together with the relatively uncluttered design of the prototype prospectus' cover page, makes the legend nearly as prominent as an all capitals format.
Items 2 and 3; Item G <u>of General Instructions</u>		
Instruction 1 under Item G requires that	The expense tables required by Item	The Applicants believe that investors benefit from receiving

Requirement of <u>Form N-1A or Rule</u>	**Innovative <u>Prospectus Feature</u>**	**Rationale <u>for New Feature</u>**
disclosure responding to Items 1, 2 and 3 of Form N-1A appear in numerical sequence in mutual fund prospectuses. Also, this disclosure may not be preceded or separated by any other item.	2(a) and the condensed financial information tables required by Item 3 for all the Funds do not precede disclosure about the Funds' particular investment policies and characteristics. In addition, on a Fund by Fund basis, the Item 4 disclosure will precede Items 2 and 3 for a particular Fund. Thus, Item 4 disclosure for each Fund immediately precedes and appears together with that Fund's expense table and financial highlights on a two-page spread that can be viewed all at one time. Each Fund's financial highlights page includes a bar chart showing the historic performance volatility of that class of the Fund which has the longest performance history. The alternative to this format would have been to locate the expense tables and financial highlights of the seven growth Funds before any investment disclosure. Such a	a consolidated prospectus offering a spectrum of similar Funds. A consolidated prospectus enhances investors' awareness of the range of available Funds and may enable investors to make a better informed investment decision. The two-page spread format groups together all the information that applies to a particular Fund. This format makes a valuable connection between a Fund's disclosure about investment goals and permissible investments and the Fund's historical record in achieving those goals. Also, the two-page spread combines text and figures in a way that is less impenetrable to average investors. With this format, the required expense and financial data still appear in a very prominent and more accessible location. The disclosure required by Item 4 of Form N-1A precedes the disclosure required by Items 2 and 3. However, the Funds believe that placing text before statistical tables if more attractive and less intimidating to investors. The ability to see both types of disclosure simultaneously on the same two-page spread is consistent with the policy underlying the Form N-1A requirement that the expense table and financial highlights precede a fund's investment disclosure. The use of icons and the introduction of

Requirement of Form N-1A or Rule	**Innovative Prospectus Feature**	**Rationale for New Feature**
	format would require investors to wade through 14 pages of statistical tables and footnotes to find the Funds' investment disclosure. This format would discourage many investors, especially those who are less comfortable with figures, from continuing to read the prospectus. In addition, this format isolates each Fund's expense and financial data from the other disclosure pertaining specifically to that Fund.	a performance volatility bar chart, together with the graphic design of the two-page spread, further enhance the prominence, clarity and user friendliness of the Funds' expense and financial data.
Item 3(c)		
If a registrant advertises any performance data, the prospectus must include a brief explanation of how performance is calculated, whether the data reflect sales charges or other non-recurring charges and the effect on performance of excluding those charges. If the registrant advertises performance calculated in more than one manner, the prospectus should briefly explain	The disclosure required by Item 3(c) would not appear in the prototype prospectus, even though the Funds may advertise performance data. Any required Item 3(c) disclosure would be moved to the SAIs to the extent that it does not already appear in the SAIs. This disclosure would be incorporated by reference into the	The Applicants believe that prospectus disclosure about how performance data are calculated for purposes of a separate advertisement has no material bearing on an investor's decision whether to purchase Fund shares. This disclosure would only be meaningful to investors if accompanied by actual performance figures. However, the prototype prospectus contains no performance figures other than those required to be included in the financial highlights section. Although incorporating the content of a Fund's SAI performance disclosure by

Requirement of Form N-1A or Rule	Innovative Prospectus Feature	Rationale for New Feature
the material differences between the calculations. As indicated in the second paragraph of Instruction E to Form N-1A, these prospectus disclosure requirements are not met by incorporating by reference the disclosure appearing in the SAIs.	prospectus by virtue of the incorporation statement that appears on the back cover.	reference into its prospectus does not satisfy the provisions of Instruction E, the required Item 3(c) disclosure may not really be necessary to comply with the requirements of Rule 482 under the 1933 Act.[4] Therefore, the Applicants believe that it would be appropriate to put all disclosure explaining performance calculations in the Funds' SAIs.

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4 A similar rationale was used to justify a proposed amendment to Form N-1A that would allow money market funds to move prospectus disclosure explaining the methodology for calculating performance data to their SAIs. Release No. 33-7196, IC-21216 discusses the proposed amendment as follows:

> Item 3(c) currently requires a brief explanation in the prospectus of how the fund calculates performance data that it advertises.[25] Because money fund yields are calculated in a uniform manner prescribed by the Commission, an investor is unlikely to use these descriptions when evaluating advertisements from the fund. The Commission therefore proposed to permit a money fund to place its response to this item in the SAI if the response is incorporated by reference into the prospectus.[26] The Commission requests comment on whether this option should be made available to other mutual funds.
>
> 25 This disclosure provides a basis for inclusion of performance information in advertisements. Rule 482 advertisements may only include information the "substance of which is set forth in the prospectus. [Citations omitted]
>
> 26 Proposed Instruction to Item 3(d). Because information incorporated by reference from the SAI is deemed to be included in the prospectus, the legal requirement that the substance of the information in an advertisement be contained in the statutory prospectus would be met. If adopted, the response to this item would be the only response to a prospectus item that could be

Requirement of Form N-1A or Rule	**Innovative Prospectus Feature**	**Rationale for New Feature**
Item 4(a)		
Requires disclosure of the date, form and jurisdiction of organization of the registrant.	The prototype prospectus does not contain this information, which will be transferred to the Funds' SAIs. Page 25 of the prototype prospectus provides an unusually clear and detailed description of, and diagram explaining, the duties of the Funds' Boards and the various entities that provide services to the Funds. In addition, the prospectus will disclose the name of each investment company registrant of which any Fund is a series.	The seven Funds covered by the prototype prospectus are series of several registered investment companies that are trusts or corporations with different organization dates and jurisdictions. Although this disclosure would occupy a significant amount of space, the collective experience of the team suggests that most investors (other than lawyers) do not find this disclosure interesting or meaningful. The technical nature of this disclosure suggests that it belongs in the Funds' SAIs. However, the Applicants believe that investors *are* interested in the service providers that they are indirectly hiring by investing in the Funds. This disclosure appears in the space that would otherwise be occupied by Fund organization data.
Item 7(c); Rule 22d-1 under the 1940 Act		
Requires disclosure, if applicable, of the registrant's ability to waive sales charges in connection with a merger, acquisition or other reorganization.	This disclosure will appear in the Funds' SAIs instead of the prototype prospectus.	Unlike other sales charge waivers, waivers in connection with a Fund reorganization do not involve favoring particular categories of investors or shareholders. Accordingly, information about this type of waiver is not very material to most investors. The technical and legalistic nature of this information suggests that it belongs in the Funds' SAIs.

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incorporated by reference from the SAI.

Requirement of Form N-1A or Rule	**Innovative Prospectus Feature**	**Rationale for New Feature**
Application for Exemption Concerning a Deferred Compensation Plan for Fund Trustees		
The Funds and the other investment companies managed by JHA applied for and obtained an exemption (File no. 812-9256) authorizing them to invest in other John Hancock Funds to the extent necessary to value deferred Trustee compensation by reference to a hypothetical or actual investment in these other Funds. This exemption provided the Funds with an exception to their fundamental investment policies prohibiting investments in other investment companies and eliminated the need to have Fund shareholders approve an amendment to the these fundamental investment policies. The body of the application, but not the notice published in the Federal Register, represents that the Funds' prospectuses will disclose this exception to their fundamental policies restricting investments	The disclosure referred to in the application for exemption will appear in the Funds' SAIs, but does not appear in the prototype prospectus.	The Funds' investment restrictions on investments in other investment companies and information about Trustees' compensation are currently disclosed in their SAIs rather than their prospectuses. It seems incongruous to disclose the exception in the prospectus when the actual restriction and information about Trustee compensation appear in the Funds' SAIs. Given the technical nature of the disclosure and the difficulty of understanding it in isolation from the related SAI disclosure, the Applicants believe that it is appropriate to move this disclosure to the Funds' SAIs.

Requirement of Form N-1A or Rule	Innovative Prospectus Feature	Rationale for New Feature
in other investment companies.[5] However, the inclusion of this disclosure in the prospectus is not an express condition of the notice or the exemptive order issued by the Commission.		

For the reasons set forth above, the Funds respectfully request that the staff of the Commission advise them that it will not recommend enforcement action to the Commission if the Funds use a consolidated simplified prospectus that satisfies the provisions of Form N-1A in the manner described above and that is in substantially the same format as the enclosed prototype prospectus.

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5 The exact language of the application was as follows:

> The Applicants submit that it is appropriate, in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act to grant an exemption from the provisions of Section 13(a)(3), so as to enable the above-referenced Funds to invest in Underlying Securities without a shareholder vote; provided that each such Fund appropriately discloses to investors in its prospectus, the exception to its fundamental investment restriction that such Fund may invest, pursuant to an order granted by the Commission and in accordance with applicable law, in another investment company to the extent that Deferred Compensation under the Plan is valued in the Accounts by reference to an hypothetical investment in the Investment Funds.

For the convenience of the staff in reviewing this request, four additional copies of this letter are enclosed. If the staff has any comments or questions concerning this request or if for any reason the staff determines that it cannot grant the request as proposed, it is requested that the staff contact the undersigned at (617) 526-6371 or Thomas Connors at (617) 375-1724 before any written response is issued.

Very truly yours,

Pamela J. Wilson

Pamela J. Wilson

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JUN 2 8 1996

RESPONSE OF THE OFFICE OF
DISCLOSURE AND REVIEW
DIVISION OF INVESTMENT MANAGEMENT

Our Reference No. DR 1-96
John Hancock Funds, Inc.

By letter dated June 25, 1996, you request assurance that we would not recommend enforcement action to the Commission if the prospectuses of open-end management companies and their series managed or sponsored by John Hancock Advisers, Inc. and distributed by John Hancock Funds, Inc. ("Fund" and collectively, the "Funds") satisfy certain requirements of Form N-1A and a prior exemptive order in the manner described in your letter.

You state that the Funds undertook a prospectus simplification project that was inspired in part by recent appeals for more readable prospectuses by the Commission. The primary goal of the project was to create a clearer, more accessible, and less intimidating selling document for investors. You state that consolidated prospectuses covering a group of "growth" Funds have been filed with the Commission as part of post-effective amendments to the Funds' registration statements on Form N-1A under Rule 485(a) of the Securities Act of 1933 ("Prototype Prospectus").[1] It is expected that upon the automatic effectiveness of these post-effective amendments, the Prototype Prospectus for the "growth" Funds will serve as the model for the preparation of consolidated prospectuses covering other groups of John Hancock Funds.

You state that one of the strategies employed in preparing the Prototype Prospectus was the elimination of non-essential, repetitive, and technical language in the current prospectuses that was found to adversely affect the reader's ability to find relevant, material disclosure, or impede the reader's understanding of that disclosure. Another strategy was to create a concise format that presented disclosure in manageable segments.

We address each of the issues you raise below in generally the same order as they appear in your letter; however, for convenience in addressing your request we have grouped similar items together under separate headings.

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1 More than one post-effective amendment was filed for the "growth" group of Funds because the Funds are series of several registered investment companies. These amendments were filed on April 16 and 17, 1996, and will be effective automatically on July 1, 1996. Other Funds filed post-effective amendments on June 13, 1996 that will become effective automatically on August 30, 1996.

A. Proposed Changes to the Prospectus Cover and Back Cover Pages

1. Retention of Prospectus Information

Item 1(a)(iii) of Form N-1A requires the outside cover page of the prospectus to include a statement that the prospectus sets forth concisely information about the registrant that a prospective investor ought to know before investing. The item also requires a statement that the prospectus should be retained for future reference. You propose to include the substance of these requirements on the front cover page of the Prototype Prospectus, but not in the same words contained in the item. You believe that your proposed language will be "more forceful and direct."[2]

We recognize that it has become customary for registrants to use language that explicitly tracks the form's requirements to convey these concepts. Item 1(a)(iii), however, does not require any particular language. Your proposal contains the substance of the disclosure required by the item and in our view satisfies its requirements.

2. Availability of Other Information

Form N-1A requires a prospectus to disclose that other information about the fund is available. Item 1(a)(iii) of the form requires that the front cover state that a Statement of Additional Information ("SAI") has been filed with the Commission and is available upon request and without charge. Item 1(a)(iv) requires the reference to the SAI to include its date. Item 3(d) requires a statement in the financial highlights section of the prospectus informing shareholders about the availability of the management's discussion of performance for the most recent fiscal year.

You propose to move these statements to the back cover page of the Prototype Prospectus. Further, instead of disclosing the date of the SAI, you propose to state on the back cover page that a current SAI is available upon request. In your view, the back cover page is the most logical place to discuss the availability of additional information and shareholder reports. You state that more space can be devoted to this discussion on the back cover page. Because the date of the SAI is usually the same as the date of the prospectus, you propose to include the date of the SAI only when it differs from the date of the prospectus.

[2] According to the Prototype Prospectus, the cover of the prospectus will state that: "This prospectus gives vital information about these funds. For your own benefit and protection, please read it before you invest, and keep it on hand for future reference."

With regard to the availability of shareholder reports, you believe that Form N-1A's disclosure goals could be served just as, or more, effectively by back cover page disclosure of the availability of such reports. You also state that disclosure on the back cover page is more prominent than disclosure that is contained in the financial highlights section and, in the case of a multiple fund consolidated prospectus, is less likely to be overlooked by investors.

While we do not necessarily agree with all of your analysis of these issues, we agree that the back cover page can be used to alert investors concerning the availability of both the SAI and shareholder reports. Further, we do not object if the date of the SAI is omitted, provided that the date of the current SAI is the same as the prospectus. If the SAI does not have the same date as the prospectus, you represent that the date of the SAI will be included with the statement of availability of the SAI on the back cover page.

3. Legend Concerning Approval/Disapproval of Offered Securities

Item 1(a)(v) of Form N-1A and Rule 481(b)(1) under the Securities Act require a legend on the front cover page of the prospectus. That legend, explaining that the securities offered by the prospectus have not been approved or disapproved by the Commission, must appear in bold face and capital letters. You propose that the legend appear on the front cover page of the Prototype Prospectus in bold face, but not in all capital letters; the wording of the legend will remain the same. You suggest that the use of all upper case letters is difficult to read and, instead of emphasizing the importance of the legend, has made the legend more difficult to read. Further, you state that the use of bold-face type, together with the relatively uncluttered design of the Prototype Prospectus' cover page, makes the legend as prominent as it would be in an all capitals format.

We do not object to your proposal to use a combination of upper and lower case letters in bold-face type together with an uncluttered cover page design because your proposal would provide the same information in an equally prominent manner.

B. Sequence Requirements of Form N-1A

The General Instructions for Part A in Form N-1A state that the information in the prospectus need not be in any order, except that disclosure responding to Items 1 (cover page), 2 (synopsis, including the fee table), and 3 (financial highlights table) must be in numerical order in the prospectus and may not be preceded or separated by any other item. You state that the Prototype Prospectus will not present the fee and financial highlights tables for all Funds immediately prior to the disclosure required by Item 4 concerning the Funds' investment objectives and policies. You also state that on a fund-by-fund basis the Item 4 disclosure will precede Items 2 and 3 for a particular Fund. Under your proposal, the Prototype Prospectus will present Items 2, 3, and 4 together in a two page format that will permit examination of all the information for a Fund in one location, on two adjoining pages that can be viewed at the same time.

You assert that the current Form N-1A requirements hamper the readability of a consolidated prospectus by requiring that all Funds' expense and financial information precede any disclosure about the Funds' investment objectives and policies. In support of your assertion, you state that this means that investors have to wade through 14 pages of statistical tables and footnotes to find the discussion of the Funds' investment objectives and policies. You state that this format may discourage many investors, especially those who are less comfortable with figures and financial information, from continuing to read the prospectus. In a consolidated prospectus, this format results in a separation of each Fund's expense and financial data from the other disclosure pertaining specifically to that Fund.

You believe that your proposed two page format makes a valuable connection between a Fund's disclosure about investment goals and permissible investments and the Fund's historical record in achieving those goals. You also argue that the two page format combines text and figures in a way that is less impenetrable to the investor.

We recognize that the sequence requirements of Form N-1A may in some instances have the unintended effect of complicating disclosure presentation in consolidated prospectuses. When the form was adopted, prospectuses generally contained disclosure concerning one fund, and the form does not address many issues raised by the use of consolidated prospectuses.[3] However, the use of one prospectus for multiple funds has become a common practice in recent years. The sequence requirements generally have been interpreted to require a consolidated prospectus to contain all the fee and the financial highlights tables for all the funds together at the beginning of the prospectus before the discussion of the funds' objectives and policies. This format may, in certain cases, unduly complicate the disclosure and could discourage some shareholders from reading the prospectus.

The purpose of the sequencing requirements is to put certain important information about a fund in a standardized format at the beginning of the prospectus, and to insure that the information about the fund's expenses and financial highlights is not made less clear by putting charts, graphs and other disclosure prior to those tables.[4] You propose to place the fee and financial highlights tables for each Fund together with the disclosure concerning that Fund's investment objectives and policies in a two page format. We believe your proposal is consistent with the purpose of the sequencing requirements of the form. Our decision not to object to your proposal is based in particular upon your representation that the information for each Fund will be presented together on two adjoining pages.

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[3] See generally, Investment Company Act Release Nos. 12927 (Dec. 21, 1982) (proposing Form N-1A) and 13436 (Aug. 12, 1983) (adopting Form N-1A).

[4] See Investment Company Act Release No. 16244 (Feb. 1, 1988) (adopting amendments to Form N-1A that require a fee table in the prospectus).

C. Relocating Prospectus Information to the Statement of Additional Information

1. Advertisement of Performance Data

Item 3(c) of Form N-1A requires disclosure in the prospectus of how performance is calculated whenever a registrant advertises any performance data. You believe that it is not necessary to disclose in the prospectus the technical method by which a Fund calculates performance because it is not a material factor to an investor's decision to purchase Fund shares. You propose to move this information to the SAI and incorporate it into the prospectus by reference.

The purpose of Item 3(c) is to remind registrants intending to advertise performance that they must describe in the prospectus their method of calculating performance in order to comply with Rule 482 under the Securities Act. Rule 482 provides that advertisements may only include information the "substance of which" is included in the fund's statutory prospectus. For performance quotations, this requirement is met if the methodology for calculating performance is set forth in the prospectus.[5] We would not object if the Funds move the description of the method for calculating the Funds' performance to the SAI and rely on Rule 482 to use advertisements that include performance data, if this information is incorporated into the prospectus by reference.[6]

2. Relocation of Other Information to the Statement of Additional Information

You propose to move to the SAI responses to two items that Form N-1A currently requires to be included in the prospectus. These items and your supporting analysis are summarized below.

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[5] The Commission recently proposed an amendment to Item 3(c) that would permit a money market fund that advertises to move the description of the method for calculating performance to the SAI and incorporate this information into the prospectus by reference. In proposing this change, the Commission acknowledged that investors are unlikely to consider the method of calculating the performance of that type of fund when evaluating the fund's advertisements. Investment Company Act Release No. 21216 (July 19, 1995).

[6] This response is limited to the incorporation by reference of the performance calculation that will be in the SAI. General Instruction E to Form N-1A does not permit registrants to incorporate by reference into the prospectus any statements from the SAI for purposes of responding to a specific item requirement of the prospectus. If recently proposed amendments to Form N-1A for money market funds are adopted, the response to Item 3(c) would be the only response to a prospectus item that could be incorporated by reference from the SAI. See Investment Company Act Release No. 21216 at note 26.

Item 4(a) of Form N-1A requires disclosure in the prospectus of the date, form and jurisdiction of organization of the registrant. You state that the seven Funds covered by the Prototype Prospectus are series of several different registered companies that are trusts or corporations with different organization dates and jurisdictions. You believe that this type of information, which is technical in nature and requires a significant amount of space, is not interesting or meaningful to most investors.[7]

Item 7(c) of Form N-1A and Rule 22d-1 under the Investment Company Act of 1940 require disclosure, if applicable, of the waiver of sales charges in connection with a merger, acquisition, or other reorganization. You state that this information is technical and legal in nature, and is not material to most investors in the Funds.

Without necessarily agreeing with your legal analysis as to materiality of the information at issue, we do not object to your proposal to move the disclosure required by those items to the SAI, which will be available to any investor that wants this information.

D. Exemptive Order Disclosure Requirement

The Funds received an exemptive order under the Investment Company Act that permits an arrangement under which the Funds' non-interested directors or trustees may defer the receipt of all or part of their fees ("Prior Order").[8] Under the arrangement, the deferred fees are maintained in an account established by the Fund that accrues value by reference to an actual or hypothetical investment in shares of the Funds or other investment companies as selected by the particular director or trustee. Such a practice may involve investment in other investment companies. The Prior Order allows the Funds to deviate from their fundamental investment policy that restricts investments in other investment companies without a shareholder vote.

In the application requesting the exemption, the Funds represented that their prospectuses would contain disclosure about the exception to the fundamental policy. You state that disclosure of the deferred compensation arrangements is technical in nature, and would be more easily understood if combined with a more complete discussion of the restrictions on investments and the deferred compensation arrangements currently contained in the SAI. You further state that the inclusion of this disclosure in the prospectus is not an express condition of the Prior Order.

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[7] Because the organizational details will not be in the prospectus, the Prototype Prospectus will state the name of each investment company registrant of which any Fund is a series.

[8] Investment Company Act Release Nos. 20794 (Dec. 23, 1994) (notice) and 20843 (Jan. 18, 1995) (order).

We would not object if the disclosure concerning the exception to the Funds' fundamental investment policy is moved to the SAI. Prospectus disclosure of the exception is not a condition of the order, and the notice of the application states that the value of these investment company shares will be de minimis. Further, the exemption granted by the Prior Order pertains to a negative investment policy that prohibits the Funds from investing in other investment companies. Such a policy is not required by Form N-1A to be included in the prospectus.[9]

* * * * * *

For the reasons discussed above, we would not recommend enforcement action to the Commission under the Securities Act and the Investment Company Act if the Prototype Prospectus for the Funds satisfies the requirements of Form N-1A and the Prior Order in the manner described above. Our response does not address the adequacy or accuracy of the disclosures contained in any of the registration statements filed by the Funds with the Commission. Because this position is based on the particular facts and circumstances set forth above, different facts or circumstances may result in a different conclusion.

Our response to your request is issued under our authority to provide informal advice as codified in the Commission's Rules of Practice.[10] As you know, informal advice rendered by the staff does not represent the views of the Commission. In the event that there are Commission developments that we believe affect the positions taken in this letter, we may determine to revise or withdraw this letter.

Barry D. Miller
Assistant Director

[9] Item 4(b)(i) of Form N-1A.

[10] 17 C.F.R. 202.1(d) and 202.2.

JOHN HANCOCK

Growth Funds

Prospectus
July 1, 1996

This prospectus gives vital information about these funds. For your own benefit and protection, please read it before you invest, and keep it on hand for future reference.

Please note that these funds:
- are not bank deposits
- are not federally insured
- are not endorsed by any bank or government agency
- are not guaranteed to achieve their goal(s)

Like all mutual fund shares, 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.

Disciplined Growth Fund

Discovery Fund

Emerging Growth Fund

Growth Fund

Regional Bank Fund

Special Equities Fund

Special Opportunities Fund

JOHN HANCOCK FUNDS
A Global Investment Management Firm

101 Huntington Avenue, Boston, Massachusetts 02199-7603

Contents

A fund-by-fund look at goals, strategies, risks, expenses and financial history.

Policies and instructions for opening, maintaining and closing an account in any growth fund.

Details that apply to the growth funds as a group.

Overview

GOAL OF THE GROWTH FUNDS

John Hancock growth funds seek long-term growth by investing primarily in common stocks. Each fund employs its own strategy and has its own risk/reward profile. Because you could lose money by investing in these funds, be sure to read all risk disclosure carefully before investing.

WHO MAY WANT TO INVEST

These funds may be appropriate for investors who:

- have longer time horizons
- are willing to accept higher short-term risk along with higher potential long-term returns
- want to diversify their portfolios
- are seeking funds for the growth portion of an asset allocation portfolio
- are investing for retirement or other goals that are many years in the future

Growth funds may NOT be appropriate if you:

- are investing with a shorter time horizon in mind
- are uncomfortable with an investment that will go up and down in value

THE MANAGEMENT FIRM

All John Hancock growth funds are managed by John Hancock Advisers, Inc. Founded in 1968, John Hancock Advisers is a wholly owned subsidiary of John Hancock Mutual Life Insurance Company and manages more than $19 billion in assets.

FUND INFORMATION KEY

Concise fund-by-fund descriptions begin on the next page. Each description provides the following information:

Goal and strategy The fund's particular investment goals and the strategies it intends to use in pursuing those goals.

Portfolio securities The primary types of securities in which the fund invests. Secondary investments are described in "More about risk" at the end of the prospectus.

Risk factors The major risk factors associated with the fund.

Portfolio management The individual or group (including subadvisers, if any) designated by the investment adviser to handle the fund's day-to-day management.

Expenses The overall costs borne by an investor in the fund, including sales charges and annual expenses.

Financial highlights A table showing the fund's financial performance for up to ten years, by share class. A bar chart showing total return allows you to compare the fund's historical risk level to those of other funds.

Disciplined Growth Fund

REGISTRANT NAME: FREEDOM INVESTMENT TRUST — TICKER SYMBOL CLASS A: SVAAX CLASS B: FEQVX

ƆAL AND STRATEGY

The fund seeks long-term capital appreciation. To pursue this goal, the fund invests in established, growing companies that have demonstrated superior earnings growth and stability. Under normal circumstances, the fund will invest at least 65% of assets in these companies, without concentration in any one industry. The fund also looks for the following characteristics:

- predictability of earnings
- a low level of debt
- seasoned management
- a strong market position

Many of the fund's investments are in medium or large capitalization companies. The fund invests for income as a secondary goal.

PORTFOLIO SECURITIES

The fund invests primarily in the common stocks of U.S. companies. It may also invest in warrants, preferred stocks and investment-grade convertible debt securities. The fund expects any foreign investments to remain below 10% of assets.

For liquidity and flexibility, the fund may place up to 15% of net assets in cash or in investment-grade short-term securities. In abnormal market conditions, it may invest up to 80% in these securities as a defensive tactic. The fund also may invest in certain higher-risk securities, and may engage in other investment practices.

RISK FACTORS

As with any growth fund, the value of your investment will fluctuate in response to stock market movements. To the extent that the fund invests in higher-risk securities, it takes on additional risks that could adversely affect its performance. Before you invest, please read "More about risk" starting on page 28.

PORTFOLIO MANAGEMENT

John F. Snyder III and Jere E. Estes are the leaders of the fund's portfolio management team. Mr. Snyder is an executive vice president of the adviser and has been a team member since July 1992. He has been an investment manager since 1971. Mr. Estes has been a part of the fund's management team since joining John Hancock in July 1992. He has been in the investment business since 1967.

INVESTOR EXPENSES

Fund investors pay various expenses, either directly or indirectly. The figures below show the expenses for the past year, adjusted to reflect any changes. Future expenses may be greater or less.

Shareholder transaction expenses	Class A	Class B
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(1)	5.00%
Redemption fee(2)	none	none
Exchange fee	none	none

Annual fund operating expenses (as a % of average net assets)		
Management fee	0.75%	0.75%
12b-1 fee(3)	0.30%	1.00%
Other expenses	0.40%	0.40%
Total fund operating expenses	1.45%	2.15%

Example The table below shows what you would pay if you invested $1,000 over the various time frames indicated. The example assumes you reinvested all dividends and that the average annual return was 5%.

Share class	Year 1	Year 3	Year 5	Year 10
Class A shares	$64	$94	$125	$215
Class B shares				
Assuming redemption at end of period	$72	$97	$135	$231
Assuming no redemption	$22	$67	$115	$231

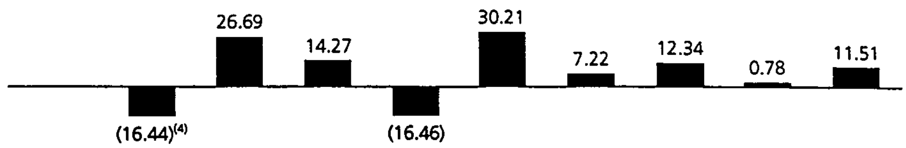
This example is for comparison purposes only and is not a representation of the fund's actual expenses and returns, either past or future.

(1) *Except for investments of $1 million or more; see "How sales charges are calculated."*
(2) *Does not include wire redemption fee (currently $4.00).*
(3) *Because of the 12b-1 fee, long-term shareholders may indirectly pay more than the equivalent of the maximum permitted front-end sales charge.*

,NCIAL HIGHLIGHTS

The figures below have been audited by the fund's independent auditors, Price Waterhouse LLP.

Volatility, as indicated by Class B year-by-year total investment return (%)



Class A – year ended October 31,	1992[1]	1993	1994	1995
Per share operating performance				
Net asset value, beginning of period	$12.81	$10.99	$12.39	$12.02
Net investment income (loss)	0.06[2]	0.08[2]	0.10	0.08[2]
Net realized and unrealized gain (loss) on investments	(0.06)	1.34	0.07	1.29
Total from investment operations	0.00	1.42	0.17	1.37
Less distributions:				
Dividends from net investment income	(0.07)	(0.02)	(0.10)	(0.10)
Distributions from net realized gain on investments sold	(1.74)	—	(0.44)	(0.52)
Distributions from capital paid-in	(0.01)	—	—	—
Total distributions	(1.82)	(0.02)	(0.54)	(0.62)
Net asset value, end of period	$10.99	$12.39	$12.02	$12.77
Total investment return at net asset value[3] (%)	0.19[4]	12.97	1.35	12.21
Ratios and supplemental data				
Net assets, end of period (000s omitted) ($)	1,771	23,372	23,292	27,692
-io of expenses to average net assets (%)	1.73[5]	1.60	1.53	1.46
of net investment income (loss) to average net assets (%)	0.62[5]	0.64	0.83	0.69
.tfolio turnover rate (%)	246	71	60	65
Average brokerage commission rate[6] ($)	N/A	N/A	N/A	N/A

Class B – year ended October 31,	1987[1]	1988	1989	1990	1991	1992	1993	1994	1995
Per share operating performance									
Net asset value, beginning of period	$10.00	$8.34	$10.29	$11.52	$9.22	$11.71	$10.97	$12.31	$11.95
Net investment income (loss)	0.06	0.13	0.19	0.18	0.07	0.01[2]	0.02[2]	0.03	0.01[2]
Net realized and unrealized gain (loss) on investments	(1.70)	2.05	1.25	(2.00)	2.67	1.05	1.33	0.07	1.28
Total from investment operations	(1.64)	2.18	1.44	(1.82)	2.74	1.06	1.35	0.10	1.29
Less distributions:									
Dividends from net investment income	(0.02)	(0.09)	(0.12)	(0.20)	(0.20)	(0.03)	(0.01)	(0.02)	(0.03)
Distributions from net realized gain on investments sold	—	(0.14)	(0.09)	(0.28)	(0.05)	(1.76)	—	(0.44)	(0.52)
Distributions from capital paid-in	—	—	—	—	—	(0.01)	—	—	—
Total distributions	(0.02)	(0.23)	(0.21)	(0.48)	(0.25)	(1.80)	(0.01)	(0.46)	(0.55)
Net asset value, end of period	$8.34	$10.29	$11.52	$9.22	$11.71	$10.97	$12.31	$11.95	$12.69
Total investment return at net asset value[3] (%)	(16.44)[4]	26.69	14.27	(16.46)	30.21	7.22	12.34	0.78	11.51
Ratios and supplemental data									
Net assets, end of period (000s omitted) ($)	14,016	14,927	23,813	17,714	21,826	23,525	93,853	94,431	86,178
Ratio of expenses to average net assets (%)	2.56[5,7]	2.61[7]	2.30	2.13	2.24	2.27	2.09	2.10	2.11
Ratio of net investment income (loss) to average net assets (%)	0.93[5,7]	1.46[7]	1.75	1.64	0.66	0.10	0.17	0.25	0.06
Portfolio turnover rate (%)	40[5]	54	94	165	217	246	71	60	65
Average brokerage commission rate[6] ($)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) *Class A and Class B shares commenced operations on January 3, 1992 and 'pril 22, 1987, respectively.*
ased on the average of the shares outstanding at the end of each month.
(3) *Assumes dividend reinvestment and does not reflect the effect of sales charges.*
(4) *Not annualized.*
(5) *Annualized.*
(6) *Per portfolio share traded. Required for fiscal years that began September 1, 1995 or later.*
(7) *Net of advisory expense reimbursements per share of $0.01 for the fiscal year ended October 31, 1988 and less than $0.01 for the fiscal year ended October 31, 1987.*

Discovery Fund

REGISTRANT NAME: FREEDOM INVESTMENT TRUST III — TICKER SYMBOL CLASS A: FRDAX CLASS B: FRDIX

OAL AND STRATEGY

The fund seeks long-term capital appreciation. To pursue this goal, the fund invests in companies that appear to offer superior growth prospects. Under normal circumstances, the fund will invest at least 65% of assets in these companies. The fund looks for companies, including small- and medium-sized companies, that have broad market opportunities and consistent or accelerating earnings growth. These companies may:

- occupy a profitable market niche
- have products or technologies that are new, unique or proprietary
- are in an industry that has a favorable long-term growth outlook
- have a capable management team with a significant equity stake

These companies may be in a relatively early stage of development, ut will usually have established a ecord of profitability and a strong financial position. The fund does not invest for income.

PORTFOLIO SECURITIES

The fund invests primarily in common stocks of U.S. companies and may also invest in warrants, preferred stocks and investment-grade convertible debt securities.

For liquidity and flexibility, the fund may place up to 15% of net assets in cash or in investment-grade short-term securities. In abnormal market conditions, it may invest up to 80% in these securities as a defensive tactic. The fund may invest up to 25% of assets in foreign securities, which carry additional risks. The fund also may invest in certain higher-risk securities, and may engage in other investment practices.

RISK FACTORS

As with any growth fund, the value of your investment will fluctuate in response to stock market movements. To the extent that the fund invests in small- and medium-sized company stocks, foreign securities and other higher-risk securities, it takes on additional risks that could adversely affect its performance. The fund may experience higher volatility than many other types of growth funds. Before you invest, please read "More about risk" starting on page 28.

PORTFOLIO MANAGEMENT

Bernice S. Behar, leader of the fund's portfolio management team since March 1994, is a senior vice president of the adviser. She joined the adviser in 1991 and has been in the investment business since 1986.

INVESTOR EXPENSES

Fund investors pay various expenses, either directly or indirectly. The figures below show the expenses for the past year, adjusted to reflect any changes. Future expenses may be greater or less.

Shareholder transaction expenses	Class A	Class B
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(1)	5.00%
Redemption fee(2)	none	none
Exchange fee	none	none

Annual fund operating expenses (as a % of average net assets)	Class A	Class B
Management fee	0.75%	0.75%
12b-1 fee(3)	0.30%	1.00%
Other expenses	0.80%	0.80%
Total fund operating expenses	1.85%	2.55%

Example The table below shows what you would pay if you invested $1,000 over the various time frames indicated. The example assumes you reinvested all dividends and that the average annual return was 5%.

Share class	Year 1	Year 3	Year 5	Year 10
Class A shares	$68	$105	$145	$256
Class B shares				
Assuming redemption at end of period	$76	$109	$155	$271
Assuming no redemption	$26	$79	$135	$271

This example is for comparison purposes only and is not a representation of the fund's actual expenses and returns, either past or future.

(1) *Except for investments of $1 million or more; see "How sales charges are calculated."*

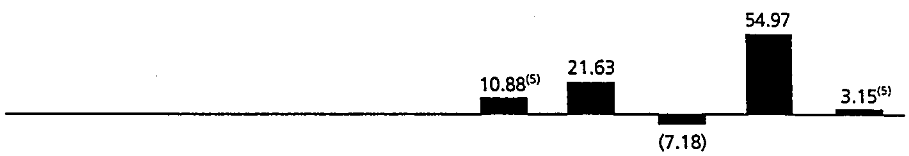
(2) *Does not include wire redemption fee (currently $4.00).*

(3) *Because of the 12b-1 fee, long-term shareholders may indirectly pay more than the equivalent of the maximum permitted front-end sales charge.*

NCIAL HIGHLIGHTS

The figures below for the period ended July 31, 1992, were audited by the fund's former independent auditors, Price Waterhouse LLP. Figures for subsequent years have been audited by the fund's current independent auditors, Ernst & Young LLP.

Volatility, as indicated by Class B year-by-year total investment return (%)



Class A – year ended July 31,	1992(1)	1993	1994	1995	1996(2)
Per share operating performance					
Net asset value, beginning of period	$9.40	$8.95	$10.81	$8.56	$12.95
Net investment income (loss)	(0.05)	(0.16)	(0.16)(3)	(0.17)(3)	(0.10)(3)
Net realized and unrealized gain (loss) on investments and foreign currency transactions	(0.40)	2.15	(0.43)	4.83	0.55
Total from investment operations	(0.45)	1.99	(0.59)	4.66	0.45
Less distributions:					
Distributions from net realized gain on investments sold	—	(0.13)	(1.66)	(0.27)	(0.13)
Net asset value, end of period	$8.95	$10.81	$8.56	$12.95	$13.27
Total investment return at net asset value(4) (%)	**(4.79)(5)**	**22.33**	**(6.45)**	**55.80**	**3.52(5)**
Ratios and supplemental data					
Net assets, end of period (000s omitted) ($)	3,866	4,692	3,226	5,075	6,583
of expenses to average net assets (%)	1.78(6)	2.17	2.01	2.10	1.74(6)
o of net investment income (loss) to average net assets (%)	(1.20)(6)	(1.61)	(1.64)	(1.73)	(1.51)(6)
Portfolio turnover rate (%)	138	148	108	118	73
Average brokerage commission rate(7) ($)	N/A	N/A	N/A	N/A	N/A

Class B – year ended July 31,	1992(1)	1993	1994	1995	1996(2)
Per share operating performance					
Net asset value, beginning of period	$8.00	$8.87	$10.65	$8.34	$12.54
Net investment income (loss)	(0.11)	(0.23)	(0.22)(3)	(0.22)(3)	(0.14)(3)
Net realized and unrealized gain (loss) on investments and foreign currency transactions	0.98	2.14	(0.43)	4.69	0.53
Total from investment operations	0.87	1.91	(0.65)	4.47	0.39
Less distributions:					
Distributions from net realized gain on investments sold	—	(0.13)	(1.66)	(0.27)	(0.13)
Net asset value, end of period	$8.87	$10.65	$8.34	$12.54	$12.80
Total investment return at net asset value(4) (%)	**10.88(5)**	**21.63**	**(7.18)**	**54.97**	**3.15(5)**
Ratios and supplemental data					
Net assets, end of period (000's omitted) ($)	34,636	38,672	26,537	31,645	34,452
Ratio of expenses to average net assets (%)	2.56(6)	2.86	2.62	2.70	2.43(6)
Ratio of net investment income (loss) to average net assets (%)	(1.56)(6)	(2.26)	(2.24)	(2.34)	(2.20)(6)
Portfolio turnover rate (%)	138	148	108	118	73
Average brokerage commission rate(7) ($)	N/A	N/A	N/A	N/A	N/A

lass A and Class B shares commenced operations on January 3, 1992 and ugust 30, 1991, respectively.
Six months ended January 31, 1996. (Unaudited.)
(3) *Based on the average of the shares outstanding at the end of each month.*
(4) *Assumes dividend reinvestment and does not reflect the effect of sales charges.*
(5) *Not annualized.*
(6) *Annualized.*
(7) *Per portfolio share traded. Required for fiscal years that began September 1, 1995 or later.*

Emerging Growth Fund

REGISTRANT NAME: JOHN HANCOCK SERIES, INC. TICKER SYMBOL CLASS A: TAEMX CLASS B: TSEGX

GOAL AND STRATEGY

The fund seeks long-term capital appreciation. To pursue this goal, the fund invests in emerging companies (market capitalization of less than $1 billion). Under normal circumstances, the fund will invest at least 80% of assets in a diversified portfolio of these companies. The fund looks for companies that show rapid growth but are not yet widely recognized. The fund also may invest in established companies that, because of new management, products or opportunities, offer the possibility of accelerating earnings. The fund does not invest for income.

PORTFOLIO SECURITIES

The fund invests primarily in the common stocks of U.S. and foreign emerging growth companies, although it may invest up to 20% of assets in other types of companies. The fund may also invest in warrants, preferred stocks and investment-grade convertible debt securities.

For liquidity and flexibility, the fund may place up to 20% of assets in cash or in investment-grade short-term securities. In abnormal market conditions, it may invest more assets in these securities as a defensive tactic. The fund also may invest in certain higher-risk securities, and may engage in other investment practices.

RISK FACTORS

As with any growth fund, the value of your investment will fluctuate in response to stock market movements. Stocks of emerging growth companies carry higher risks than stocks of larger companies. This is because emerging growth companies:

- may be in the early stages of development
- may be dependent on a small number of products or services
- may lack substantial capital reserves
- do not have proven track records

In addition, stocks of emerging companies are often traded in low volumes, which can increase market and liquidity risks. Before you invest, please read "More about risk" starting on page 28.

PORTFOLIO MANAGEMENT

Bernice S. Behar, leader of the fund's portfolio management team since April 1996, is a senior vice president of the adviser. She joined the adviser in 1991 and has been in the investment business since 1986.

INVESTOR EXPENSES

Fund investors pay various expenses, either directly or indirectly. The figures below show the expenses for the past year, adjusted to reflect any changes. Future expenses may be greater or less.

Shareholder transaction expenses	Class A	Class B
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[1]	5.00%
Redemption fee[2]	none	none
Exchange fee	none	none

Annual fund operating expenses (as a % of average net assets)		
Management fee	0.75%	0.75%
12b-1 fee[3]	0.25%	1.00%
Other expenses	0.40%	0.40%
Total fund operating expenses	1.40%	2.15%

Example The table below shows what you would pay if you invested $1,000 over the various time frames indicated. The example assumes you reinvested all dividends and that the average annual return was 5%.

Share class	Year 1	Year 3	Year 5	Year 10
Class A shares	$64	$92	$123	$210
Class B shares				
Assuming redemption at end of period	$72	$97	$135	$229
Assuming no redemption	$22	$67	$115	$229

This example is for comparison purposes only and is not a representation of the fund's actual expenses and returns, either past or future.

(1) *Except for investments of $1 million or more; see "How sales charges are calculated."*

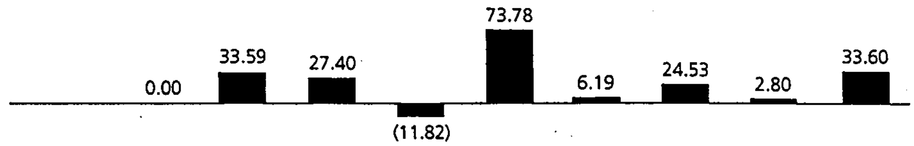
(2) *Does not include wire redemption fee (currently $4.00).*

(3) *Because of the 12b-1 fee, long-term shareholders may indirectly pay more than the equivalent of the maximum permitted front-end sales charge.*

NCIAL HIGHLIGHTS

The figures below have been audited by the fund's independent auditors, Ernst & Young LLP.

Volatility, as indicated by Class B year-by-year total investment return (%)



Class A – year ended October 31,	1991[1]	1992	1993	1994	1995[2]
Per share operating performance					
Net asset value, beginning of period	$18.12	$19.26	$20.60	$25.89	$26.82
Net investment income (loss)[3]	(0.03)	(0.20)	(0.16)	(0.18)	(0.25)
Net realized and unrealized gain (loss) on investments	1.17	1.60	5.45	1.11	9.52
Total from investment operations	1.14	1.40	5.29	0.93	9.27
Less distributions:					
Distributions from net realized gain on investments sold	—	(0.06)	—	—	—
Net asset value, end of period	$19.26	$20.60	$25.89	$26.82	$36.09
Total investment return at net asset value[4] (%)	**6.29**	**7.32**	**25.68**	**3.59**	**34.56**
Ratios and supplemental data					
Net assets, end of period (000s omitted) ($)	38,859	46,137	81,263	131,053	179,481
Ratio of expenses to average net assets (%)	0.33	1.67	1.40	1.44	1.38
Ratio of net investment income (loss) to average net assets (%)	(0.15)	(1.03)	(0.70)	(0.71)	(0.83)
Portfolio turnover rate (%)	66	48	29	25	23
rage brokerage commission rate[5] ($)	N/A	N/A	N/A	N/A	N/A

ss B – year ended October 31,	1987[1]	1988	1989	1990	1991	1992	1993	1994	1995[2]
Per share operating performance									
Net asset value, beginning of period	$7.89	$7.89	$10.54	$12.76	$11.06	$19.22	$20.34	$25.33	$26.04
Net investment income (loss)[3]	(0.0021)	0.09	(0.08)	(0.22)	(0.30)	(0.38)	(0.36)	(0.36)	(0.45)
Net realized and unrealized gain (loss) on investments	0.0021	2.56	2.83	(1.26)	8.46	1.56	5.35	1.07	9.20
Total from investment operations	0.0000	2.65	2.75	(1.48)	8.16	1.18	4.99	0.71	8.75
Less distributions:									
Dividends from net investment income	—	—	(0.04)	—	—	—	—	—	—
Distributions from net realized gain on investments sold	—	—	(0.49)	(0.22)	—	(0.06)	—	—	—
Total distributions	—	—	(0.53)	(0.22)	—	(0.06)	—	—	—
Net asset value, end of period	$7.89	$10.54	$12.76	$11.06	$19.22	$20.34	$25.33	$26.04	$34.79
Total investment return at net asset value[4] (%)	**0.00**	**33.59**	**27.40**	**(11.82)**	**73.78**	**6.19**	**24.53**	**2.80**	**33.60**
Total adjusted investment return at net asset value[4,6] (%)	(0.41)	31.00	27.37	—	—	—	—	—	—
Ratios and supplemental data									
Net assets, end of period (000s omitted) ($)	79	3,232	7,877	11,668	52,743	86,923	219,484	283,435	393,478
Ratio of expenses to average net assets (%)	0.03	3.05	3.48	3.11	2.85	2.64	2.28	2.19	2.11
Ratio of adjusted expenses to average net assets[7] (%)	0.44	5.64	3.51	—	—	—	—	—	—
Ratio of net investment income (loss) to average net assets (%)	(0.03)	0.81	(0.67)	(1.64)	(1.83)	(1.99)	(1.58)	(1.46)	(1.55)
Ratio of adjusted net investment income (loss) to average net assets[7] (%)	(0.44)	(1.78)	(0.70)	—	—	—	—	—	—
Portfolio turnover rate (%)	0	252	90	82	66	48	29	25	23
Fee reduction per share ($)	0.03	0.29	0.004	—	—	—	—	—	—
Average brokerage commission rate[5] ($)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) *Class A and Class B shares commenced operations on August 22, 1991 and ctober 26, 1987, respectively. (Not annualized.)*

n December 22, 1994, John Hancock Advisers, Inc. became the investment adviser of the fund.

(3) *Based on the average of the shares outstanding at the end of each month.*

(4) *Assumes dividend reinvestment and does not reflect the effect of sales charges.*

(5) *Per portfolio share traded. Required for fiscal years that began September 1, 1995 or later.*

(6) *An estimated total return calculation, which does not take into consideration fee reductions by the adviser during the periods shown.*

(7) *Unreimbursed, without fee reduction.*

Growth Fund

REGISTRANT NAME: FREEDOM INVESTMENT TRUST II — TICKER SYMBOL CLASS A: JHNGX CLASS B: JHGBX

GOAL AND STRATEGY

The fund seeks long-term capital appreciation. To pursue this goal, the fund invests in stocks that are diversified with regard to industries and issuers. The fund favors stocks of companies whose operating earnings and revenues have grown more than twice as fast as the gross domestic product (GDP) over the past five years, although not all stocks in the fund's portfolio will meet this criterion.

PORTFOLIO SECURITIES

The portfolio invests primarily in the common stocks of U.S. companies. It may also invest in warrants, preferred stocks and convertible debt securities.

For liquidity and flexibility, the fund may invest up to 35% of net assets in investment-grade short-term securities. In abnormal market conditions, it may invest more than 35% in these securities as a defensive tactic. The fund may also invest in certain higher-risk securities, and may engage in other investment practices.

RISK FACTORS

As with any growth fund, the value of your investment will fluctuate in response to stock market movements. To the extent that the fund invests in higher-risk securities, it takes on additional risks that could adversely affect its performance. Before you invest, please read "More about risk" starting on page 28.

PORTFOLIO MANAGEMENT

Bernice S. Behar, leader of the fund's portfolio management team since August 1995, is a senior vice president of the adviser. She joined the adviser in 1991 and has been in the investment business since 1986.

INVESTOR EXPENSES

Fund investors pay various expenses, either directly or indirectly. The figures below show the expenses for the past year, adjusted to reflect any changes. Future expenses may be greater or less.

Shareholder transaction expenses	Class A	Class B
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(1)	5.00%
Redemption fee(2)	none	none
Exchange fee	none	none

Annual fund operating expenses (as a % of average net assets)		
Management fee	0.80%	0.80%
12b-1 fee(3)	0.30%	1.00%
Other expenses	0.40%	0.40%
Total fund operating expenses	1.50%	2.20%

Example The table below shows what you would pay if you invested $1,000 over the various time frames indicated. The example assumes you reinvested all dividends and that the average annual return was 5%.

Share class	Year 1	Year 3	Year 5	Year 10
Class A shares	$65	$95	$128	$220
Class B shares				
Assuming redemption at end of period	$72	$99	$138	$236
Assuming no redemption	$22	$69	$118	$236

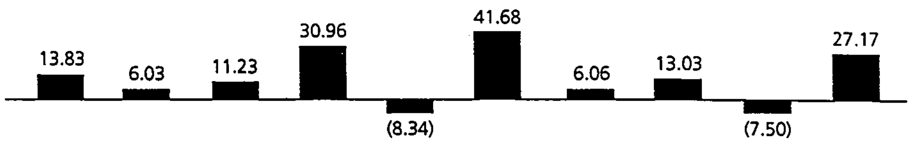
This example is for comparison purposes only and is not a representation of the fund's actual expenses and returns, either past or future.

(1) *Except for investments of $1 million or more; see "How sales charges are calculated."*
(2) *Does not include wire redemption fee (currently $4.00).*
(3) *Because of the 12b-1 fee, long-term shareholders may indirectly pay more than the equivalent of the maximum permitted front-end sales charge.*

NCIAL HIGHLIGHTS

The figures below have been audited by the fund's independent auditors, Ernst & Young LLP.

Volatility, as indicated by Class A year-by-year total investment return (%)



Class A – year ended December 31,	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Per share operating performance										
Net asset value, beginning of period	$14.50	$14.03	$12.34	$13.33	$15.18	$12.93	$17.48	$17.32	$17.40	$15.89
Net investment income (loss)	0.11	0.22	0.23	0.28	0.16	0.04	(0.06)	(0.11)	(0.10)	(0.09)[1]
Net realized and unrealized gain (loss) on investments	1.79	0.64	1.16	3.81	(1.47)	5.36	1.10	2.33	(1.21)	4.40
Total from investment operations	1.90	0.86	1.39	4.09	(1.31)	5.40	1.04	2.22	(1.31)	4.31
Less distributions:										
Dividends from net investment income	(0.17)	(0.28)	(0.23)	(0.29)	(0.16)	(0.04)	—	—	—	—
Distributions from net realized gain on investments sold	(2.20)	(2.27)	(0.17)	(1.95)	(0.78)	(0.81)	(1.20)	(2.14)	(0.20)	(0.69)
Total distributions	(2.37)	(2.55)	(0.40)	(2.24)	(0.94)	(0.85)	(1.20)	(2.14)	(0.20)	(0.69)
Net asset value, end of period	$14.03	$12.34	$13.33	$15.18	$12.93	$17.48	$17.32	$17.40	$15.89	$19.51
Total investment return at net asset value[2] (%)	**13.83**	**6.03**	**11.23**	**30.96**	**(8.34)**	**41.68**	**6.06**	**13.03**	**(7.50)**	**27.17**
Ratios and supplemental data										
Net assets, end of period (000s omitted) ($)	87,468	86,426	101,497	105,014	102,416	145,287	153,057	162,937	146,466	241,700
Ratio of expenses to average net assets (%)	1.03	1.00	1.06	0.96	1.46	1.44	1.60	1.56	1.65	1.48
…o of net investment income (loss) to average net assets (%)	0.77	1.41	1.76	1.73	1.12	0.27	(0.36)	(0.67)	(0.64)	(0.46)
…lio turnover rate (%)	62	68	47	61	102	82	71	68	52	68[3]
…age brokerage commission rate[4] ($)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Class B – year ended December 31,	1994[5]	1995
Per share operating performance		
Net asset value, beginning of period	$17.16	$15.83
Net investment income (loss)	(0.20)[1]	(0.26)[1]
Net realized and unrealized gain (loss) on investments	(0.93)	4.37
Total from investment operations	(1.13)	4.11
Less distributions:		
Distributions from net realized gain on investments sold	(0.20)	(0.69)
Net asset value, end of period	$15.83	$19.25
Total investment return at net asset value[2] (%)	**(6.56)[6]**	**26.01**
Ratios and supplemental data		
Net assets, end of period (000s omitted) ($)	3,807	15,913
Ratio of expenses to average net assets (%)	2.38[7]	2.31
Ratio of net investment income (loss) to average net assets (%)	(1.25)[7]	(1.39)
Portfolio turnover rate (%)	52	68[3]
Average brokerage commission rate[4] ($)	N/A	N/A

…sed on the average of the shares outstanding at the end of each month.
…sumes dividend reinvestment and does not reflect the effect of sales charges.
(3) *Excludes merger activity.*
(4) *Per portfolio share traded. Required for fiscal years that began September 1, 1995 or later.*
(5) *Class B shares commenced operations on January 3, 1994.*
(6) *Not annualized.*
(7) *Annualized.*

Regional Bank Fund

REGISTRANT NAME: FREEDOM INVESTMENT TRUST — TICKER SYMBOL CLASS A: FRBAX CLASS B: FRBFX

OAL AND STRATEGY

The fund seeks long-term capital appreciation. To pursue this goal, the fund invests in regional banks and lending institutions, including:

- commercial and industrial banks
- savings and loan associations
- bank holding companies

These financial institutions provide full-service banking, have primarily domestic assets and are typically based outside of New York City and Chicago. They may or may not be members of the Federal Reserve, and their deposits may or may not be FDIC-insured. Under normal circumstances, the fund will invest at least 65% of assets in these companies; it may invest up to 35% of assets in other financial services companies, including lending companies and money center banks. Because regional banks typically pay regular dividends, moderate income is an investment goal.

PORTFOLIO SECURITIES

The fund invests primarily in the common stocks of U.S. companies. It may also invest in warrants, preferred stocks and investment-grade convertible debt securities, as well as foreign stocks.

For liquidity and flexibility, the fund may place up to 15% of net assets in cash or in investment-grade short-term securities. In abnormal market conditions, it may invest up to 80% in these securities as a defensive tactic. The fund may also invest in certain higher-risk securities, and may engage in other investment practices.

RISK FACTORS

As with any growth fund, the value of your investment will fluctuate in response to stock market movements. Because the fund concentrates in a single industry, its performance is largely dependent on the industry's performance, which may differ in direction and degree from that of the overall stock market. Falling interest rates or deteriorating economic conditions can adversely affect the performance of bank stocks, while rising interest rates will cause a decline in the value of any debt securities the fund holds. Before you invest, please read "More about risk" starting on page 28.

PORTFOLIO MANAGEMENT

James K. Schmidt joined John Hancock in 1985 and has served as the fund's portfolio manager since its inception that year. A senior vice president of the adviser, he has been in the investment business since 1974.

INVESTOR EXPENSES

Fund investors pay various expenses, either directly or indirectly. The figures below show the expenses for the past year, adjusted to reflect any changes. Future expenses may be greater or less.

Shareholder transaction expenses	Class A	Class B
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(1)	5.00%
Redemption fee(2)	none	none
Exchange fee	none	none

Annual fund operating expenses (as a % of average net assets)	Class A	Class B
Management fee	0.78%	0.78%
12b-1 fee(3)	0.30%	1.00%
Other expenses	0.31%	0.31%
Total fund operating expenses	1.39%	2.09%

Example The table below shows what you would pay if you invested $1,000 over the various time frames indicated. The example assumes you reinvested all dividends and that the average annual return was 5%.

Share class	Year 1	Year 3	Year 5	Year 10
Class A shares	$63	$92	$122	$209
Class B shares				
Assuming redemption at end of period	$71	$95	$132	$224
Assuming no redemption	$21	$65	$112	$224

This example is for comparison purposes only and is not a representation of the fund's actual expenses and returns, either past or future.

(1) *Except for investments of $1 million or more; see "How sales charges are calculated."*

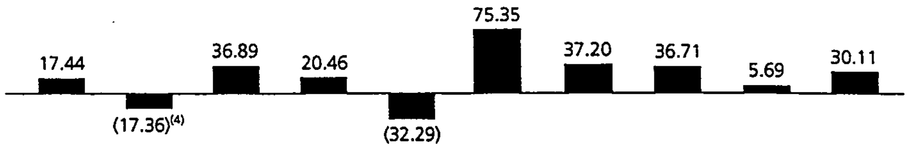
(2) *Does not include wire redemption fee (currently $4.00).*

(3) *Because of the 12b-1 fee, long-term shareholders may indirectly pay more than the equivalent of the maximum permitted front-end sales charge.*

NCIAL HIGHLIGHTS

The figures below have been audited by the fund's independent auditors, Price Waterhouse LLP.

Volatility, as indicated by Class B year-by-year total investment return (%)



Class A – year ended October 31,	1992[1]	1993	1994	1995
Per share operating performance				
Net asset value, beginning of period	$13.47	$17.47	$21.62	$21.52
Net investment income (loss)	0.21	0.26[2]	0.39[2]	0.52[2]
Net realized and unrealized gain (loss) on investments	3.98	5.84	0.91	5.92
Total from investment operations	4.19	6.10	1.30	6.44
Less distributions:				
Dividends from net investment income	(0.19)	(0.26)	(0.34)	(0.48)
Distributions from net realized gain on investments sold	—	(1.69)	(1.06)	(0.34)
Total distributions	(0.19)	(1.95)	(1.40)	(0.82)
Net asset value, end of period	$17.47	$21.62	$21.52	$27.14
Total investment return at net asset value[3] (%)	**31.26[4]**	**37.45**	**6.44**	**31.00**
Ratios and supplemental data				
Net assets, end of period (000s omitted) ($)	31,306	94,158	216,978	486,631
Ratio of expenses to average net assets (%)	1.41[5]	1.35	1.34	1.39
R-tio of net investment income to average net assets (%)	1.64[5]	1.29	1.78	2.23
lio turnover rate (%)	53	35	13	14
..ge brokerage commission rate[6] ($)	N/A	N/A	N/A	N/A

Class B – year ended October 31,	1987[7]	1987[8]	1988	1989	1990	1991	1992	1993	1994	1995
Per share operating performance										
Net asset value, beginning of period	$12.51	$12.68	$10.02	$11.89	$13.00	$8.13	$13.76	$17.44	$21.56	$21.43
Net investment income (loss)	0.20	0.05	0.16	0.20	0.30	0.29	0.18	0.15[2]	0.23[2]	0.36[2]
Net realized and unrealized gain (loss) on investment	1.74	(2.17)	3.12	2.02	(4.19)	5.68	4.56	5.83	0.91	5.89
Total from investment operations	1.94	(2.12)	3.28	2.22	(3.89)	5.97	4.74	5.98	1.14	6.25
Less distributions:										
Dividends from net investment income	(0.26)	(0.04)	(0.15)	(0.16)	(0.19)	(0.34)	(0.28)	(0.17)	(0.21)	(0.32)
Distributions from net realized gain on investments sold	(1.51)	(0.50)	(1.26)	(0.95)	(0.76)	—	(0.78)	(1.69)	(1.06)	(0.34)
Distributions from capital paid-in	—	—	—	—	(0.03)	—	—	—	—	—
Total distributions	(1.77)	(0.54)	(1.41)	(1.11)	(0.98)	(0.34)	(1.06)	(1.86)	(1.27)	(0.66)
Net asset value, end of period	$12.68	$10.02	$11.89	$13.00	$8.13	$13.76	$17.44	$21.56	$21.43	$27.02
Total investment return at net asset value[3] (%)	**17.44**	**(17.36)[4]**	**36.89**	**20.46**	**(32.29)**	**75.35**	**37.20**	**36.71**	**5.69**	**30.11**
Ratios and supplemental data										
Net assets, end of period (000s omitted) ($)	54,626	38,721	50,965	81,167	38,992	52,098	56,016	171,808	522,207	1,236,447
Ratio of expenses to average net assets (%)	1.48	2.47[5]	2.17	1.99	1.99	2.04	1.96	1.88	2.06	2.09
Ratio of net investment income (loss) to average net assets (%)	1.62	0.73[5]	1.50	1.67	2.51	2.65	1.21	0.76	1.07	1.53
Portfolio turnover rate (%)	89	58[5]	87	85	56	75	53	35	13	14
Average brokerage commission rate[6] ($)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

'lass A shares commenced operations on January 3, 1992.

ısed on the average of the shares outstanding at the end of each month.

\-, *Assumes dividend reinvestment and does not reflect the effect of sales charges.*

(4) *Not annualized.*

(5) *Annualized.*

(6) *Per portfolio share traded. Required for fiscal years that began September 1, 1995 or later.*

(7) *Year ended March 31, 1987.*

(8) *For the period April 1, 1987 to October 31, 1987.*

Special Equities Fund

REGISTRANT NAME: JOHN HANCOCK SPECIAL EQUITIES FUND   TICKER SYMBOL CLASS A: JHNSX CLASS B: SPQBX

OAL AND STRATEGY

The fund seeks long-term capital appreciation. To pursue this goal, the fund invests in small-capitalization companies and companies in situations offering unusual or non-recurring opportunities. Under normal circumstances, the fund will invest at least 65% of assets in a diversified portfolio of these companies. The fund looks for companies that dominate an emerging industry or hold a growing market share in a fragmented industry, and that have demonstrated annual earnings and revenue growth of at least 25%, self-financing capabilities and strong management. The fund does not invest for income.

PORTFOLIO SECURITIES

The fund invests primarily in the common stocks of U.S. and foreign companies. It may also invest in warrants, preferred stocks and investment-grade convertible debt securities.

For liquidity and flexibility, the fund may place up to 35% of assets in cash or in investment-grade short-term securities. In abnormal market conditions, it may invest more than 35% in these securities as a defensive tactic. The fund also may invest in certain higher-risk securities, and may engage in other investment practices.

RISK FACTORS

As with any growth fund, the value of your investment will fluctuate in response to stock market movements. Stocks of small-capitalization and special-situation companies carry higher risks than stocks of larger companies. This is because these companies:

- may lack proven track records
- may be dependent on a small number of products or services
- may be undercapitalized
- may have highly priced stocks that are sensitive to adverse news

In addition, stocks of these companies are often traded in low volumes, which can increase market and liquidity risks. Before you invest, please read "More about risk" starting on page 28.

MANAGEMENT/SUBADVISER

Michael P. DiCarlo is responsible for the fund's day-to-day investment management. He has served as the fund's portfolio manager since January 1988, and has been in the investment business since 1984. He is currently one of three principals in DFS Advisors, LLC, which was founded in 1996 and serves as subadviser to the fund.

This fund will be closed to new investors at the end of the day its total assets reach $2.5 billion. Further investments will be limited to existing accounts.

INVESTOR EXPENSES

Fund investors pay various expenses, either directly or indirectly. The figures below show the expenses for the past year, adjusted to reflect any changes. Future expenses may be greater or less.

Shareholder transaction expenses	Class A	Class B
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(1)	5.00%
Redemption fee(2)	none	none
Exchange fee	none	none

Annual fund operating expenses (as a % of average net assets)		
Management fee(3)	0.82%	0.82%
12b-1 fee(4)	0.30%	1.00%
Other expenses	0.38%	0.40%
Total fund operating expenses	1.50%	2.22%

Example The table below shows what you would pay if you invested $1,000 over the various time frames indicated. The example assumes you reinvested all dividends and that the average annual return was 5%.

Share class	Year 1	Year 3	Year 5	Year 10
Class A shares	$65	$95	$128	$220
Class B shares				
Assuming redemption at end of period	$73	$99	$139	$237
Assuming no redemption	$23	$69	$119	$237

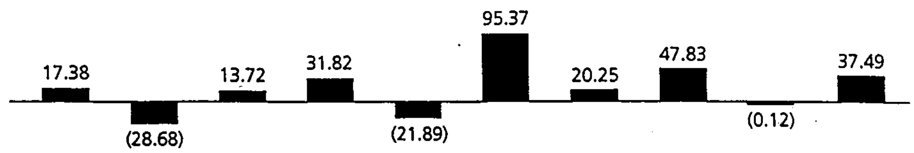
This example is for comparison purposes only and is not a representation of the fund's actual expenses and returns, either past or future.

(1) *Except for investments of $1 million or more; see "How sales charges are calculated."*
(2) *Does not include wire redemption fee (currently $4.00).*
(3) *Includes a subadviser fee equal to 0.25% of the fund's net assets.*
(4) *Because of the 12b-1 fee, long-term shareholders may indirectly pay more than the equivalent of the maximum permitted front-end sales charge.*

NCIAL HIGHLIGHTS

The figures below have been audited by the fund's independent auditors, Ernst & Young LLP.

Volatility, as indicated by Class A year-by-year total investment return (%)



Class A – year ended October 31,	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Per share operating performance										
Net asset value, beginning of period	$5.21	$6.08	$4.30	$4.89	$6.38	$4.97	$9.71	$10.99	$16.13	$16.11
Net investment income (loss)	(0.03)	(0.03)	0.04	0.01	(0.12)	(0.10)	(0.19)[1]	(0.20)[1]	(0.21)[1]	(0.18)[1]
Net realized and unrealized gain (loss) on investments	0.93	(1.26)	0.55	1.53	(1.27)	4.84	2.14	5.43	0.19	6.22
Total from investment operations	0.90	(1.29)	0.59	1.54	(1.39)	4.74	1.95	5.23	(0.02)	6.04
Less distributions:										
Dividends from net investment income	(0.02)	—	—	(0.05)	(0.02)	—	—	—	—	—
Distributions from net realized gain on investments sold	(0.01)	(0.45)	—	—	—	—	(0.67)	(0.09)	—	—
Distributions from capital paid-in	—	(0.04)	—	—	—	—	—	—	—	—
Total distributions	(0.03)	(0.49)	—	(0.05)	(0.02)	—	(0.67)	(0.09)	—	—
Net asset value, end of period	$6.08	$4.30	$4.89	$6.38	$4.97	$9.71	$10.99	$16.13	$16.11	$22.15
Total investment return at net asset value[2] (%)	**17.38**	**(28.68)**	**13.72**	**31.82**	**(21.89)**	**95.37**	**20.25**	**47.83**	**(0.12)**	**37.49**
Total adjusted investment return at net asset value[2,3]	15.41	(29.41)	12.28	30.75	(22.21)	95.33	—	—	—	—
Ratios and supplemental data										
Net assets, end of period (000s omitted) ($)	13,780	10,637	11,714	12,285	8,166	19,713	44,665	296,793	310,625	555,655
expenses to average net assets (%)	1.50	1.50	1.50	1.50	2.63	2.75	2.24	1.84	1.62	1.48
of adjusted expenses to average net assets[4] (%)	3.47	2.23	2.94	2.57	2.95	2.79	—	—	—	—
Ratio of net investment income (loss) to average net assets (%)	(0.57)	(0.57)	0.82	0.47	(1.58)	(2.12)	(1.91)	(1.49)	(1.40)	(0.97)
Ratio of adjusted net investment income (loss) to average net assets[4] (%)	(2.54)	(1.30)	(0.62)	(0.60)	(1.90)	(2.16)	—	—	—	—
Portfolio turnover rate (%)	64	93	91	115	113	163	114	33	66	82
Fee reduction per share ($)	0.09	0.04	0.07	0.03	0.02	0.002	—	—	—	—
Average brokerage commission rate[5] ($)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Class B – year ended October 31,	1993[6]	1994	1995
Per share operating performance			
Net asset value, beginning of period	$12.30	$16.08	$15.97
Net investment income (loss)	(0.18)[1]	(0.30)[1]	(0.31)[1]
Net realized and unrealized gain (loss) on investments	3.96	0.19	6.15
Total from investment operations	3.78	(0.11)	5.84
Net asset value, end of period	$16.08	$15.97	$21.81
Total investment return at net asset value[2] (%)	**30.73[7]**	**(0.68)**	**36.57**
Ratios and supplemental data			
Net assets, end of period (000s omitted) ($)	158,281	191,979	454,934
Ratio of expenses to average net assets (%)	2.34[8]	2.25	2.20
Ratio of net investment income (loss) to average net assets (%)	(2.03)[8]	(2.02)	(1.69)
Portfolio turnover rate (%)	33	66	82
Average brokerage commission rate[5] ($)	N/A	N/A	N/A

ed on the average of the shares outstanding at the end of each month.

umes dividend reinvestment and does not reflect the effect of sales charges.

(3) *An estimated total return calculation which does not take into consideration fee reductions by the adviser during the periods shown.*

(4) *Unreimbursed, without fee reduction.*

(5) *Per portfolio share traded. Required for fiscal years that began September 1, 1995 or later.*

(6) *Class B shares commenced operations on March 1, 1993.*

(7) *Not annualized.*

(8) *Annualized.*

Special Opportunities Fund

REGISTRANT NAME: FREEDOM INVESTMENT TRUST II   TICKER SYMBOL CLASS A: SPOAX CLASS B: SPOBX

GOAL AND STRATEGY

The fund seeks long-term capital appreciation. To pursue this goal, the fund invests in those economic sectors that appear to have a higher than average earning potential.

Under normal circumstances, at least 90% of the fund's equity securities will be invested within five or fewer sectors (e.g., financial services, energy, technology). At times, the fund may focus on a single sector. The fund first determines the inclusion and weighting of sectors, using macroeconomic as well as other factors, then selects portfolio securities by seeking the most attractive companies. The fund may add or drop sectors. Because the fund may invest more than 5% of assets in a single issuer, it is classified as a non-diversified fund.

PORTFOLIO SECURITIES

The fund invests primarily in common stocks of U.S. and foreign companies of any size. It may also invest in warrants, preferred stocks, convertible debt securities, U.S. Government securities and corporate bonds rated at least BBB/Baa, or equivalent. The fund also may invest in certain higher-risk securities, and may engage in other investment practices.

For liquidity and flexibility, the fund may place up to 10% of net assets in cash or investment-grade short-term securities. In abnormal market conditions, it may invest more than 10% in these securities as a defensive tactic.

RISK FACTORS

As with any growth fund, the value of your investment will fluctuate in response to stock market movements. By focusing on a relatively small number of sectors or issuers, the fund runs the risk that any factor influencing those sectors or issuers will have a major effect on performance. The fund may invest in companies with smaller market capitalizations, which represent higher near-term risks than larger capitalization companies. These factors make the fund likely to experience higher volatility than most other types of growth funds. Before you invest, please read "More about risk" starting on page 28.

PORTFOLIO MANAGEMENT

Kevin R. Baker is leader of the portfolio management team for the fund. A second vice president of the adviser, he has been a member of the management team since joining the adviser in January 1994. He has been in the investment business since 1986.

INVESTOR EXPENSES

Fund investors pay various expenses, either directly or indirectly. The figures below show the expenses for the past year, adjusted to reflect any changes. Future expenses may be greater or less.

Shareholder transaction expenses	Class A	Class B
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[1]	5.00%
Redemption fee[2]	none	none
Exchange fee	none	none

Annual fund operating expenses (as a % of average net assets)		
Management fee	0.80%	0.80%
12b-1 fee[3]	0.30%	1.00%
Other expenses	0.49%	0.49%
Total fund operating expenses	1.59%	2.29%

Example The table below shows what you would pay if you invested $1,000 over the various time frames indicated. The example assumes you reinvested all dividends and that the average annual return was 5%.

Share class	Year 1	Year 3	Year 5	Year 10
Class A shares	$65	$98	$132	$229
Class B shares				
Assuming redemption at end of period	$73	$102	$143	$245
Assuming no redemption	$23	$72	$123	$245

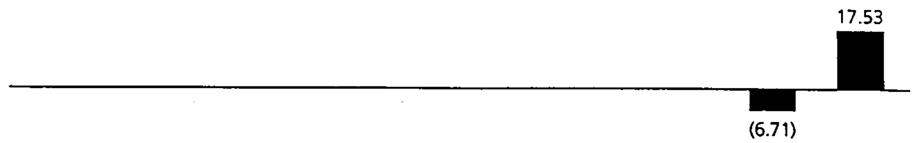
This example is for comparison purposes only and is not a representation of the fund's actual expenses and returns, either past or future.

(1) *Except for investments of $1 million or more; see "How sales charges are calculated."*
(2) *Does not include wire redemption fee (currently $4.00).*
(3) *Because of the 12b-1 fee, long-term shareholders may indirectly pay more than the equivalent of the maximum permitted front-end sales charge.*

ANCIAL HIGHLIGHTS

The figures below have been audited by the fund's independent auditors, Price Waterhouse LLP.

Volatility, as indicated by Class A year-by-year total investment return (%)



Class A – year ended October 31,	**1994[1]**	**1995**
Per share operating performance		
Net asset value, beginning of period	$8.50	$7.93
Net investment income (loss)	(0.03)[2]	(0.07)[2]
Net realized and unrealized gain (loss) on investments	(0.54)	1.46
Total from investment operations	(0.57)	1.39
Net asset value, end of period	$7.93	$9.32
Total investment return at net asset value[3] (%)	**(6.71)**	**17.53**
Total adjusted investment return at net asset value[3,4] (%)	(6.83)	—
Ratios and supplemental data		
Net assets, end of period (000s omitted) ($)	92,325	101,562
Ratio of expenses to average net assets (%)	1.50	1.59
Ratio of adjusted expenses to average net assets[5] (%)	1.62	—
Ratio of net investment income (loss) to average net assets (%)	(0.41)	(0.87)
Ratio of adjusted net investment (loss) to average net assets[5] (%)	(0.53)	—
Portfolio turnover rate (%)	57	155
duction per share ($)	0.01[2]	—
age brokerage commission rate[6] ($)	N/A	N/A

Class B – year ended October 31,	**1994[1]**	**1995**
Per share operating performance		
Net asset value, beginning of period	$8.50	$7.87
Net investment income (loss)	(0.09)[2]	(0.13)[2]
Net realized and unrealized gain (loss) on investments	(0.54)	1.45
Total from investment operations	(0.63)	1.32
Net asset value, end of period	$7.87	$9.19
Total investment return at net asset value[3] (%)	**(7.41)[4]**	**16.77**
Total adjusted investment return at net asset value[3,4] (%)	(7.53)	—
Ratios and supplemental data		
Net assets, end of period (000's omitted) ($)	131,983	137,363
Ratio of expenses to average net assets (%)	2.22	2.30
Ratio of adjusted expenses to average net assets[5] (%)	2.34	—
Ratio of net investment income (loss) to average net assets (%)	(1.13)	(1.55)
Ratio of adjusted net investment (loss) to average net assets[5] (%)	(1.25)	—
Portfolio turnover rate (%)	57	155
Fee reduction per share ($)	0.01[2]	—
Average brokerage commission rate[6] ($)	N/A	N/A

lass A and B shares commenced operations on November 1, 1993.
ased on the average of the shares outstanding at the end of each month.
Assumes dividend reinvestment and does not reflect the effect of sales charges.
(4) *An estimated total return calculation which does not take into consideration fee reductions by the adviser during the periods shown.*
(5) *Unreimbursed, without fee reduction.*
(6) *Per portfolio share traded. Required for fiscal years that began September 1, 1995 or later.*

ALES CHARGE REDUCTIONS AND WAIVERS

Reducing your Class A sales charges There are several ways you can combine multiple purchases of Class A shares in John Hancock funds to take advantage of the breakpoints in the sales charge schedule. The first three ways can be combined in any manner.

- Accumulation Privilege — lets you add the value of any Class A shares you already own to the amount of your next Class A investment for purposes of calculating the sales charge.
- Letter of Intention — lets you purchase Class A shares of a fund over a 13-month period and receive the same sales charge as if all shares had been purchased at once.
- Combination Privilege — lets you combine Class A shares of multiple funds for purposes of calculating the sales charge.

To utilize: complete the appropriate section on your application, or contact your financial representative or Investor Services to add these options to an existing account.

Group Investment Program Allows established groups of four or more investors to invest as a group. Each has n individual account, but for sales charge purposes, their investments are lumped together, making the investors potentially eligible for reduced sales charges. There is no charge, no obligation to invest (although initial aggregate investments must be at least $250) and you may terminate the program at any time.

To utilize: contact your financial representative or Investor Services to find out how to qualify.

CDSC waivers In general, the CDSC for either share class may be waived on shares you sell for the following reasons:

- to make payments through certain systematic withdrawal plans
- to make certain distributions from a retirement plan
- because of shareholder death or disability

To utilize: contact your financial representative or Investor Services, or consult the SAI (see the back cover of this prospectus).

Reinstatement privilege If you sell shares of a John Hancock fund, you may invest some or all of the proceeds in the same share class of any John Hancock fund within 120 days without a sales charge. If you paid a CDSC when you sold your shares, you will be credited with the amount of the CDSC. All accounts involved must have the same registration.

To utilize: contact your financial representative or Investor Services.

Waivers for certain investors Class A shares may be offered without front-end sales charges or CDSCs to various individuals and institutions, including:

- government entities that are prohibited from paying mutual fund sales charges
- financial institutions or common trust funds investing $1 million or more for non-discretionary accounts
- selling brokers and their employees and sales representatives
- financial representatives utilizing fund shares in fee-based investment products under agreement with John Hancock Funds
- fund trustees and other individuals who are affiliated with these or other John Hancock funds
- individuals transferring assets to a John Hancock growth fund from an employee benefit plan that has John Hancock funds
- members of an approved affinity group financial services program
- certain insurance company contract holders (one-year CDSC applies)
- participants in certain plans with at least 100 members (one-year CDSC applies)

To utilize: if you think you may be eligible for a sales charge waiver, contact Investor Services or consult the SAI.

OPENING AN ACCOUNT

1 Read this prospectus carefully.

2 Determine how much you want to invest. The minimum initial investments for the John Hancock growth funds are as follows:
- non-retirement account: $1,000
- retirement account: $250
- group investments: $250
- Monthly Automatic Accumulation Plan (MAAP): $25 to open; you must invest at least $25 a month

3 Complete the appropriate parts of the account application, carefully following the instructions. If you have questions, please contact your financial representative or call Investor Services at 1-800-225-5291.

4 Complete the appropriate parts of the account privileges section of the application. By applying for privileges now, you can avoid the delay and inconvenience of having to file an additional application if you want to add privileges later.

5 Make your initial investment using the table on the next page. You can initiate any purchase, exchange or sale of shares through your financial representative.

Buying shares

By check

Opening an account

- Make out a check for the investment amount, payable to "John Hancock Investor Services Corporation."
- Deliver the check and your completed application to your financial representative, or mail them to Investor Services (address on next page).

Adding to an account

- Make out a check for the investment amount payable to "John Hancock Investor Services Corporation."
- Fill out the detachable investment slip from an account statement. If no slip is available, include a note specifying the fund name, your share class, your account number, and the name(s) in which the account is registered.
- Deliver the check and your investment slip or note to your financial representative, or mail them to Investor Services (address on next page).

By exchange

Opening an account

- Call your financial representative or Investor Services to request an exchange.

Adding to an account

- Call Investor Services to request an exchange.

By wire

Opening an account

- Deliver your completed application to your financial representative, or mail it to Investor Services.
- Obtain your account number by calling your financial representative or Investor Services.
- Instruct your bank to wire the amount of your investment to:
  First Signature Bank & Trust
  Account # 900000260
  Routing # 211475000
  Specify the fund name, your choice of share class, the new account number and the name(s) in which the account is registered. Your bank may charge a fee to wire funds.

Adding to an account

- Instruct your bank to wire the amount of your investment to:
  First Signature Bank & Trust
  Account # 900000260
  Routing # 211475000
  Specify the fund name, your share class, your account number and the name(s) in which the account is registered. Your bank may charge a fee to wire funds.

By phone

Opening an account

See "By wire" and "By exchange."

Adding to an account

- Verify that your bank or credit union is a member of the Automated Clearing House (ACH) system.
- Complete the "Invest-By-Phone" and "Bank Information" sections on your account application.
- Call Investor Services to verify that these features are in place on your account.
- Tell the Investor Services representative the fund name, your share class, your account number, the name(s) in which the account is registered and the amount of your investment.

To open or add to an account using the Monthly Automatic Accumulation Program, see "Additional investor services."

elling shares

	Designed for	To sell some or all of your shares
By letter	• Accounts of any type. • Sales of any amount.	• Write a letter of instruction or complete a stock power indicating the fund name, your share class, your account number, the name(s) in which the account is registered and the dollar value or number of shares you wish to sell. • Include all signatures and any additional documents that may be required (see next page). • Mail the materials to Investor Services. • A check will be mailed to the name(s) and address in which the account is registered, or otherwise according to your letter of instruction.
By phone	• Most accounts. • Sales of up to $100,000.	• For automated service 24 hours a day using your touch-tone phone, call the John Hancock Funds EASI-Line at 1-800-338-8080. • To place your order with a representative at John Hancock Funds, call Investor Services between 8 A.M. and 4 P.M. on most business days.
By wire or electronic funds transfer (EFT)	• Requests by letter to sell any amount (accounts of any type). • Requests by phone to sell up to $100,000 (accounts with telephone redemption privileges).	• Fill out the "Telephone Redemption" section of your new account application. • To verify that the telephone redemption privilege is in place on an account, or to request the forms to add it to an existing account, call Investor Services. • Amounts of $1,000 or more will be wired on the next business day. A $4 fee will be deducted from your account.. • Amounts of less than $1,000 may be sent by EFT or by check. Funds from EFT transactions are generally available by the second business day. Your bank may charge a fee for this service.
By exchange	• Accounts of any type. • Sales of any amount.	• Obtain a current prospectus for the fund into which you are exchanging by calling your financial representative or Investor Services. • Call Investor Services to request an exchange.

Address
John Hancock Investor Services Corporation
P.O. Box 9116 Boston, MA 02205-9116

Phone
1-800-225-5291

Or contact your financial representative for instructions and assistance.

To sell shares through a systematic withdrawal plan, see "Additional investor services."

Selling shares in writing In certain circumstances, you will need to make your request to sell shares in writing. You may need to include additional items with your request, as shown in the table below. You may also need to include a signature guarantee, which protects you against fraudulent orders. You will need a signature guarantee if:

- your address of record has changed within the past 30 days
- you are selling more than $100,000 worth of shares
- you are requesting payment other than by a check mailed to the address of record and payable to the registered owner(s)

You can generally obtain a signature guarantee from the following sources:

- a broker or securities dealer
- a federal savings, cooperative or other type of bank
- a savings and loan or other thrift institution
- a credit union
- a securities exchange or clearing agency

A notary public CANNOT provide a signature guarantee.

Seller	Requirements for written requests
Owners of individual, joint, sole proprietorship, UGMA/UTMA (custodial accounts for minors) or general partner accounts.	• Letter of instruction. • On the letter, the signatures and titles of all persons authorized to sign for the account, exactly as the account is registered. • Signature guarantee if applicable (see above).
Owners of corporate or association accounts.	• Letter of instruction. • Corporate resolution, certified within the past 90 days. • On the letter and the resolution, the signature of the person(s) authorized to sign for the account. • Signature guarantee if applicable (see above).
Owners or trustees of trust accounts.	• Letter of instruction. • On the letter, the signature(s) of the trustee(s). • If the names of all trustees are not registered on the account, please also provide a copy of the trust document certified within the past 60 days. • Signature guarantee if applicable (see above).
Joint tenancy shareholders whose co-tenants are deceased.	• Letter of instruction signed by surviving tenant. • Copy of death certificate. • Signature guarantee if applicable (see above).
Executors of shareholder estates.	• Letter of instruction signed by executor. • Copy of order appointing executor. • Signature guarantee if applicable (see above).
Administrators, conservators, guardians and other sellers or account types not listed above.	• Call 1-800-225-5291 for instructions.

TRANSACTION POLICIES

Valuation of shares The net asset value per share (NAV) for each fund and class is determined each business day at the close of regular trading on the New York Stock Exchange (typically 4 P.M. Eastern Time) by dividing a class's net assets by the number of its shares outstanding.

Buy and sell prices When you buy shares, you pay the NAV plus any applicable sales charges, as described earlier. When you sell shares, you receive the NAV minus any applicable deferred sales charges.

Execution of requests Each fund is open on those days when the New York Stock Exchange is open, typically Monday – Friday. Buy and sell requests are executed at the next NAV to be calculated after your request is accepted by Investor Services.

At times of peak activity, it may be difficult to place requests by phone. During these times, consider using EASI-Line or sending your request in writing.

In unusual circumstances, any fund may temporarily suspend the processing of sell requests, or may postpone payment of proceeds for up to three business days or longer, as allowed by federal securities laws.

Telephone transactions For your protection, telephone requests may be recorded in order to verify their accuracy. In addition, Investor Services will take measures to verify the identity of the caller, such as asking for name, account number, Social Security or taxpayer ID number and other relevant information. If these measures are not taken, Investor Services is responsible for any losses that may occur to any account due to an unauthorized telephone call. Also for your protection, telephone transactions are not permitted on accounts whose names or addresses have changed within the past 30 days. Proceeds from telephone transactions can only be mailed to the address of record.

Exchanges You may exchange shares of one John Hancock fund for shares of the same class of any other, generally without paying any additional sales charges. Class B shares will continue to age from the original date and will retain the same CDSC rate as they had before the exchange, except that the rate will change to that of the new fund if the new fund's rate is higher. A CDSC rate that has increased will drop again with a future exchange into a fund with a lower rate.

To protect the interests of other investors in the fund, a fund may cancel the exchange privileges of any parties that, in the opinion of the fund, are using market timing strategies or making more than seven exchanges per owner or controlling party per calendar year. A fund may change or cancel its exchange privilege at any time, upon 60 days' notice to its shareholders. A fund may also refuse any exchange order.

Certificated shares Most shares are electronically recorded. If you wish to have certificates for your shares, please write to Investor Services. Certificated shares can only be sold by returning the certificates to Investor Services, along with a letter of instruction or a stock power and a signature guarantee.

Sales in advance of purchase payments When you place a request to sell shares for which the purchase money has not yet been collected, the request will be executed in a timely fashion, but the fund will not release the proceeds to you until your purchase payment clears. This may take up to ten calendar days after the purchase.

Eligibility by state You may only invest in, or exchange into, fund shares legally available in your state.

DIVIDENDS AND ACCOUNT POLICIES

Account statements In general, you will receive account statements as follows:

- After every transaction (except a dividend reinvestment) that affects your account balance.
- After any changes of name or address of the registered owner(s).
- In all other circumstances, every quarter.

Every year you should also receive, if applicable, a Form 1099 tax information statement, mailed by January 31.

Dividends The funds generally distribute most or all of their net earnings in the form of dividends. Any capital gains are distributed annually. Most of the funds do not typically pay income dividends, with the exception of Disciplined Growth Fund and Regional Bank Fund, which typically pay income dividends semi-annually and quarterly, respectively.

ividend reinvestments Most investors have their dividends reinvested in additional shares of the same fund and class. If you choose this option, or if you do not indicate any choice, your dividends will be reinvested on the dividend record date. Alternatively, you can choose to have a check for your dividends mailed to you. However, if the check is not deliverable, your dividends will be reinvested.

Taxability of dividends As long as a fund meets the requirements for being a tax-qualified regulated investment company, which each fund has in the past and intends to in the future, it pays no federal income tax on the earnings it distributes to shareholders.

Consequently, dividends you receive from a fund, whether reinvested or taken as cash, are generally considered taxable. Dividends from a fund's long-term capital gains are taxable as capital gains; dividends from other sources are generally taxable as ordinary income.

Some dividends paid in January may be taxable as if they had been paid the previous December. Corporations may be entitled to take a dividends-received deduction for a portion of certain dividends they receive.

The Form 1099 that is mailed to you every January details your dividends and their federal tax category, although you should verify your tax liability with your tax professional.

Taxability of transactions Any time you sell or exchange shares, it is considered a taxable event for you. Depending on the purchase price and the sale price of the shares you sell or exchange, you may have a gain or a loss on the transaction. You are responsible for any tax liabilities generated by your transactions.

Small accounts (non-retirement only) If you draw down a non-retirement account so that its total value is less than $1,000, you may be asked to purchase more shares within 30 days. If you do not take action, your fund may close out your account and mail you the proceeds. Alternatively, Investor Services may charge you $10 a year to maintain your account. You will not be charged a CDSC if your account is closed for this reason, and your account will not be closed if its drop in value is due to fund performance or the effects of sales charges.

ADDITIONAL INVESTOR SERVICES

Monthly Automatic Accumulation Program (MAAP)
MAAP lets you set up regular investments from your paycheck or bank account to the John Hancock fund(s) of your choice. You determine the frequency and amount of your investments, and you can terminate your program at any time. To establish:

- Complete the appropriate parts of your Account Application.
- If you are using MAAP to open an account, make out a check ($25 minimum) for your first investment amount payable to "John Hancock Investor Services Corporation." Deliver your check and application to your financial representative or Investor Services.

Systematic withdrawal plan This plan may be used for routine bill payment or periodic withdrawals from your account. To establish:

- Make sure you have at least $5,000 worth of shares in your account.
- Make sure you are not planning to invest more money in this account (buying shares during a period when you are also selling shares of the same fund is not advantageous to you, because of sales charges).
- Specify the payee(s). The payee may be yourself or any other party, and there is no limit to the number of payees you may have, as long as they are all on the same payment schedule.
- Determine the schedule: monthly, quarterly, semi-annually, annually or in certain selected months.
- Fill out the relevant part of the account application. To add a systematic withdrawal plan to an existing account, contact your financial representative or Investor Services.

Retirement plans John Hancock Funds offers a range of qualified retirement plans, including IRAs, SEPs, SARSEPs, 401(k) plans, 403(b) plans (including TSAs) and other pension and profit-sharing plans. Using these plans, you can invest in any John Hancock fund with a low minimum investment of $250 or, for some group plans, no minimum investment at all. To find out more, call Investor Services at 1-800-225-5291.

Fund details

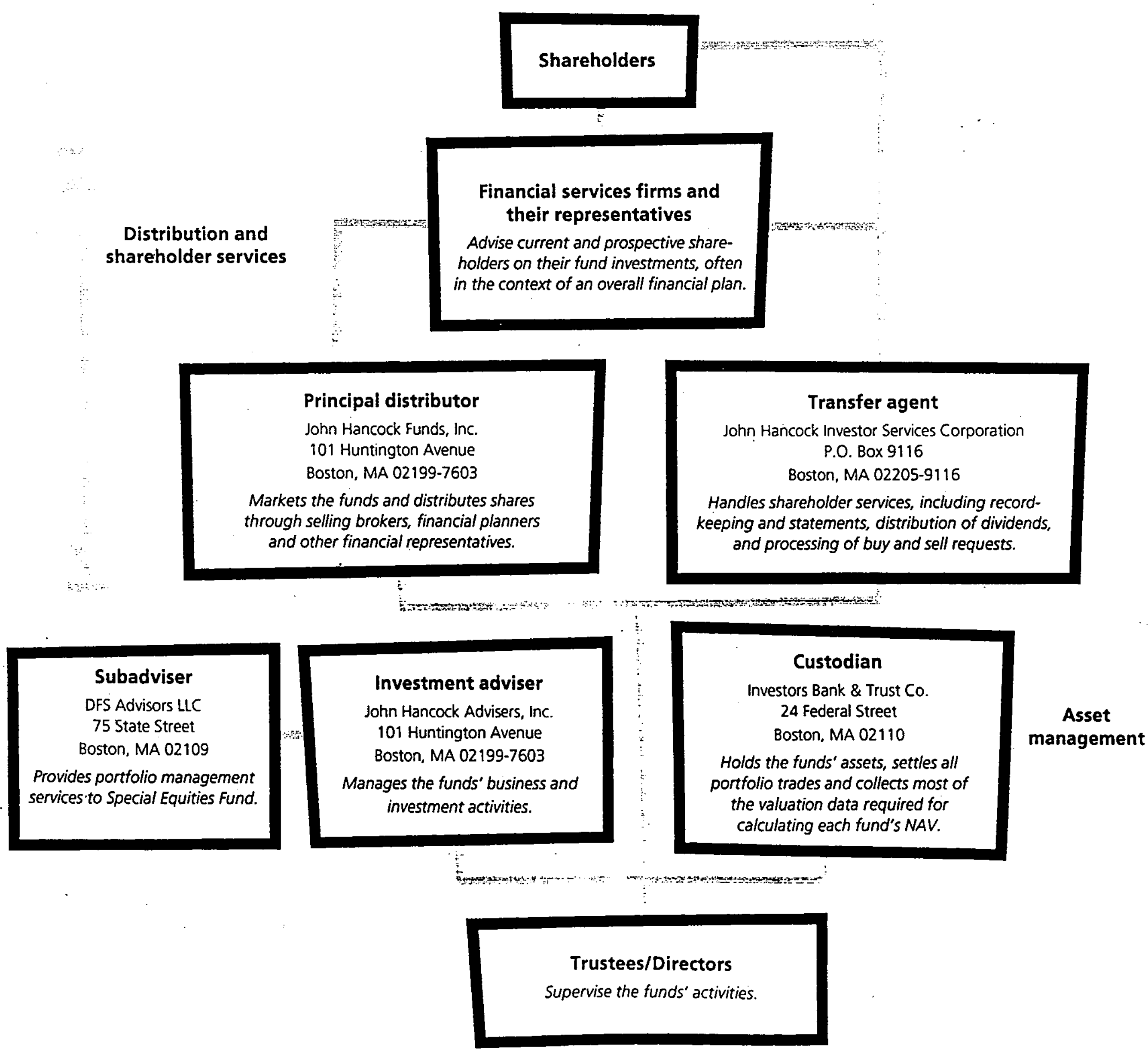
USINESS STRUCTURE

How the funds are organized Each John Hancock growth fund is an open-end management investment company or a series of such a company.

Each fund is supervised by a board of trustees or a board of directors, an independent body which has ultimate responsibility for the fund's activities. The board retains various companies to carry out the fund's operations, including the investment adviser, custodian, transfer agent and others (see diagram). The board has the right, and the obligation, to terminate the fund's relationship with any of these companies and to retain a different company if the board believes that it is in the shareholders' best interests.

At a mutual fund's inception, the initial shareholder (typically the adviser) appoints the fund's board. Thereafter, the board and the shareholders determine the board's membership. The boards of the John Hancock growth funds may include individuals who are affiliated with the investment adviser. However, the majority of board members must be independent.

The funds do not hold annual shareholder meetings, but may hold special meetings for such purposes as electing or removing board members, changing fundamental policies, approving a management contract or approving a 12b-1 plan (12b-1 fees are explained in "Sales compensation").



ccounting compensation The funds compensate the adviser for performing tax and financial management services. Annual compensation for 1996 will not exceed 0.02% of each fund's average net assets.

Portfolio trades In placing portfolio trades, the adviser may use brokerage firms that market the fund's shares or are affiliated with John Hancock Mutual Life Insurance Company, but only when the adviser believes no other firm offers a better combination of quality execution (i.e., timeliness and completeness) and favorable price.

Investment goals Except for Discovery Fund, Special Opportunities Fund and Emerging Growth Fund, each fund's investment goal is fundamental and may only be changed with shareholder approval.

Diversification Except for Special Opportunities Fund, all growth funds are diversified.

SALES COMPENSATION

As part of their business strategies, the funds, along with John Hancock Funds, pay compensation to financial ervices firms that sell the funds' shares. These firms typically pass along a portion of this compensation to your financial representative.

Compensation payments originate from two sources: from sales charges and from 12b-1 fees that are paid out of the fund's assets ("12b-1" refers to the federal securities regulation authorizing annual fees of this type). The 12b-1 fee rates vary by fund and by share class, according to Rule 12b-1 plans adopted by the funds. The sales charges and 12b-1 fees paid by investors are detailed in the fund-by-fund information. The portions of these expenses that are reallowed to financial services firms are shown on the next page.

Distribution fees may be used to pay for sales compensation to financial services firms, marketing and overhead expenses and, for Class B shares, interest expenses.

Class B unreimbursed distribution expenses(1)

Fund	Unreimbursed expenses	As a % of net assets
Disciplined Growth	$ 3,620,687	3.99%
Discovery	$ 552,329	1.75%
Emerging Growth	$ 9,697,401	3.02%
Growth	$ 165,787	2.01%
Regional Bank	$ 41,492,867	5.90%
Special Equities	$ 15,131,619	5.42%
Special Opportunities	$ 6,051,842	4.49%

(1) *As of the most recent fiscal year end covered by each fund's financial highlights. These expenses may be carried forward indefinitely.*

Initial compensation Whenever you make an investment in a fund or funds, the financial services firm receives either a reallowance from the initial sales charge or a commission, as described below. The firm also receives the first year's service fee at this time.

Annual compensation Beginning with the second year after an investment is made, the financial services firm receives an annual service fee of 0.25% of its total eligible net assets. This fee is paid quarterly in arrears. Firms affiliated with John Hancock, which include Tucker Anthony, Sutro & Company and John Hancock Distributors, may receive an additional fee of up to 0.05% a year of their total eligible net assets.

Class A investments

	Sales charge paid by investors (% of offering price)	Maximum reallowance or commission (% of offering price)	First year service fee (% of net investment)	Maximum total compensation[1] (% of offering price)
Up to $49,999	5.00%	4.01%	0.25%	4.25%
$50,000 – $99,999	4.50%	3.51%	0.25%	3.75%
$100,000 – $249,999	3.50%	2.61%	0.25%	2.85%
$250,000 – $499,999	2.50%	1.86%	0.25%	2.10%
$500,000 – $999,999	2.00%	1.36%	0.25%	1.60%
Regular investments of $1 million or more				
First $1M – $4,999,999	—	1.00%	0.25%	1.24%
Next $1 – $5M above that	—	0.50%	0.25%	0.74%
Next $1 and more above that	—	0.25%	0.25%	0.49%
Waiver investments[2]	—	0.00%	0.25%	0.25%

Class B investments

	Maximum reallowance or commission (% of offering price)	First year service fee (% of net investment)	Maximum total compensation (% of offering price)
All amounts	3.75%	0.25%	4.00%

(1) *Reallowance/commission percentages and service fee percentages are calculated from different amounts, and therefore may not equal total compensation percentages if combined using simple addition.*

(2) *Refers to any investments made by municipalities, financial institutions, trusts and affinity group members that take advantage of the sales charge waivers described earlier in this prospectus.*

CDSC revenues collected by John Hancock Funds may be used to fund commission payments when there is no initial sales charge.

MORE ABOUT RISK

A fund's risk profile is largely defined by the fund's primary securities and investment practices. You may find the most concise description of each fund's risk profile in the fund-by-fund information.

The funds are permitted to utilize — within limits established by the trustees — certain other securities and investment practices that have higher risks and opportunities associated with them. To the extent a fund utilizes these securities or practices, its overall performance may be affected, either positively or negatively. On the following page are brief descriptions of these securities and practices, along with the risks associated with them. The funds follow certain policies that may reduce these risks.

As with any mutual fund, there is no guarantee that the performance of a John Hancock growth fund will be positive over any period of time — days, months or years. However, stock funds as a category have historically performed better over the long term than bond or money market funds.

TYPES OF INVESTMENT RISK

Correlation risk The risk that changes in the value of a hedging instrument will not match those of the asset being hedged (hedging is the use of one investment to offset the effects of another investment). Incomplete correlation can result in unanticipated risks.

Credit risk The risk that the issuer of a security, or the counterparty to a contract, will default or otherwise become unable to honor a financial obligation.

Currency risk The risk that fluctuations in the exchange rates between the U.S. dollar and foreign currencies may negatively affect an investment. Adverse changes in exchange rates may erode or reverse any gains produced by foreign currency denominated investments and may widen any losses.

Information risk The risk that key information about a security or market is inaccurate or unavailable.

Interest rate risk The risk of market losses attributable to changes in interest rates. With fixed-rate securities, a rise in interest rates typically causes a fall in values, while a fall in rates typically causes a rise in values.

Leverage risk Associated with securities or practices (such as borrowing) that multiply small index or market movements into large changes in value.

- **Hedged** When a derivative (a security whose value is based on another security or index) is used as a hedge against an opposite position which the fund also holds, any loss generated by the derivative should be substantially offset by gains on the hedged investment, and vice versa. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains.
- **Speculative** To the extent that a derivative is not used as a hedge, the fund is directly exposed to the risks of that derivative. Gains or losses from speculative positions in a derivative may be substantially greater than the derivative's original cost.

Liquidity risk The risk that certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price, sell other securities instead, or forègo an investment opportunity, any of which could have a negative effect on fund management or performance.

Management risk The risk that a strategy used by a fund's management may fail to produce the intended result. Common to all mutual funds.

Market risk The risk that the market value of a security may move up and down, sometimes rapidly and unpredictably. These fluctuations may cause a security to be worth less than the price originally paid for it, or less than it was worth at an earlier time. Market risk may affect a single issuer, industry, sector of the economy or the market as a whole. Common to all stocks and bonds and the mutual funds that invest in them.

Natural event risk The risk of losses attributable to natural disasters, crop failures and similar events.

Opportunity risk The risk of missing out on an investment opportunity because the assets necessary to take advantage of it are tied up in other investments.

Political risk The risk of losses directly attributable to government or political actions of any sort. These actions may range from changes in tax or trade statutes to expropriation, governmental collapse and war.

Valuation risk The risk that a fund has valued certain of its securities at a higher price than it can sell them for.

Higher-risk securities and practices

This table shows each fund's investment limitations as a percentage of portfolio assets. In each case the principal types of risk are listed (see previous page for definitions).

10 Percent of total assets *(italic type)*
10 Percent of net assets (roman type)
● No policy limitation on usage; fund may be using currently
○ Permitted, but has not typically been used
— Not permitted

	Disciplined Growth	Discovery	Emerging Growth	Growth	Regional Bank	Special Equities	Special Opportunities
Investment practices							
Borrowing; reverse repurchase agreements The borrowing of money from banks or through reverse repurchase agreements. *Leverage, credit risks.*	5	5	*33.3*	*33.3*	5	*33.3*	*33.3*
Repurchase agreements The purchase of a security that must later be sold back to the seller at the same price plus interest. *Credit risk.*	●	●	●	●	●	●	●
Securities lending The lending of securities to financial institutions, which provide cash or government securities as collateral. *Credit risk.*	*5*	*33.3*	*30*	*33.3*	—	*33.3*	*33.3*
Short sales The selling of securities which have been borrowed on the expectation that the market price will drop.							
• Hedged. *Hedged leverage, market, correlation, liquidity, opportunity risks.*	—	○	○	○	—	○	○
• Speculative. *Speculative leverage, market, liquidity risks.*	—	○	—	○	—	○	○
Short-term trading Selling a security soon after purchase. A portfolio engaging in short-term trading will have higher turnover and transaction expenses. *Market risk.*	●	●	●	●	●	●	●
When-issued securities and forward commitments The purchase or sale of securities for delivery at a future date; market value may change before delivery. *Market, opportunity, leverage risks.*	●	●	●	●	●	●	●
Conventional securities							
Non-investment-grade convertible securities Debt securities that convert into equity securities at a future time. Convertibles rated below BBB/Baa are considered "junk" bonds. *Credit, market, interest rate, liquidity, valuation and information risks.*	—	—	*10*	5	5	—	—
Foreign equities							
• Stocks issued by foreign companies. *Market, currency, information, natural event, political risks.*	—	*25*	●	*15*	○	●	●
• American or European depository receipts, which are dollar-denominated securities typically issued by American or European banks and are based on ownership of securities issued by foreign companies. *Market, currency, information, natural event, political risks.*	*10*	*25*	●	*15*	○	●	●
Restricted and illiquid securities Securities not traded on the open market. May include illiquid Rule 144A securities. *Liquidity, market risks.*	15	15	10	15	15	15	15
Leveraged derivative securities							
Financial futures and options; securities and index options Contracts involving the right or obligation to deliver or receive assets or money depending on the performance of one or more assets or an economic index.							
• Futures and related options. *Interest rate, currency, market, hedged or speculative leverage, correlation, liquidity, opportunity risks.*	●	○	●	○	○	○	●
• Options on securities and indices. *Interest rate, currency, market, hedged or speculative leverage, correlation, liquidity, credit, opportunity risks.*	5(1)	5(1)	*10*(1)	○	5(1)	○	●
Currency contracts Contracts involving the right or obligation to buy or sell a given amount of foreign currency at a specified price and future date.							
• Hedged. *Currency, hedged leverage, correlation, liquidity, opportunity risks.*	—	●	●	●	○	○	●
• Speculative. *Currency, speculative leverage, liquidity risks.*	—	—	—	—	○	○	—

(1) *Applies to purchased options only.*

For more information

Two documents are available that offer further information on John Hancock Growth Funds:

ANNUAL/SEMI-ANNUAL REPORT TO SHAREHOLDERS
Includes financial statements, detailed performance information, portfolio holdings, a statement from portfolio management and the auditor's report.

STATEMENT OF ADDITIONAL INFORMATION (SAI)
The SAI contains more detailed information on all aspects of the funds. The current annual/semi-annual report is included in the SAI.

A current SAI has been filed with the Securities and Exchange Commission and is incorporated by reference into this prospectus (is legally a part of this prospectus).

To request a free copy of the current annual/semi-annual report or SAI, please write or call:

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