

April 11, 2012

Janet M. Grossnickle  
Assistant Director  
Office of Investment Company Regulation  
Division of Investment Management  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Re: John Hancock Trust, et al. (File No. 812-13341)

Dear Ms. Grossnickle:

The undersigned respectfully requests that the staff of the Division of Investment Management (“Staff”) of the U.S. Securities and Exchange Commission (“Commission”) advise that it will not recommend enforcement action under the Investment Company Act of 1940, as amended (“Act”), in the circumstances described below. The undersigned makes this request on behalf of (i) John Hancock Variable Insurance Trust (formerly known as John Hancock Trust) (“JHVIT”), John Hancock Funds II (“JHFII”), John Hancock Funds III (“JHFIII”), John Hancock Capital Series (“JHCS,” and together with JHVIT, JHFII and JHFIII, the “Trusts”), (ii) John Hancock Advisers, LLC (“JHA”) and John Hancock Investment Management Services, LLC (“JHIMS,” and together with JHA, “Advisers”), (iii) the series of the Trusts (“Current Portfolios”), (iv) future series of the Trusts (“Future Portfolios”), (v) any other existing or future registered open-end management investment company (or series thereof) that is part of the same “group of investment companies” as the Trusts and advised by an Adviser or an entity controlling, controlled by or under common control with the Advisers (“Other Portfolios,” together with the Current and Future Portfolios, the “Portfolios”) and (vi) any such other entity (collectively, “Applicants”).<sup>1</sup>

#### Background

On June 26, 2007, Applicants received an exemptive order from the Commission.<sup>2</sup> The Order was issued under Section 12(d)(1)(J) of the Act exempting Applicants from Sections 12(d)(1)(A) and (B) of the Act and under Sections 6(c) and 17(b) of the Act from Sections

---

<sup>1</sup> As used herein, the term “group of investment companies” has the same meaning as in Section 12(d)(1)(G)(ii) of the Act.

<sup>2</sup> Investment Company Act Release Nos. 27848 (May 30, 2007) and 27873 (June 26, 2007) (“Order”).

Janet M. Grossnickle

April 11, 2012

Page 2 of 4

17(a)(1) and (2) of the Act. The Order permits the Trusts and Portfolios to acquire shares of other registered open-end management investment companies and unit investment trusts (“UITs”) that are within and outside the same group of investment companies as the Portfolios (“Underlying Funds”). In short, the Order grants Applicants “fund of funds relief.” The terms and conditions of the Order are intended to prevent, among other things, the creation of an overly complex fund structure.

Condition 12 of the Order provides as follows:

No Underlying Fund will acquire securities of any other investment company or company relying on section 3(c)(1) or 3(c)(7) of the Act in excess of the limits contained in section 12(d)(1)(A) of the Act, except to the extent that such Underlying Fund: (a) receives securities of another investment company as a dividend or as a result of a plan of reorganization of a company (other than a plan devised for the purpose of evading section 12(d)(1) of the Act); or (b) acquires (or is deemed to have acquired) securities of another investment company pursuant to exemptive relief from the Commission permitting such Underlying Fund to: (i) acquire securities of one or more affiliated investment companies for short-term cash management purposes, or (ii) engage in interfund borrowing and lending transactions.

Condition 12 prohibits any Underlying Funds in which the Portfolios invest in reliance on the Order from acquiring securities of any other investment company in excess of the limits set forth in Section 12(d)(1)(A) for short-term cash management purposes, unless the investment company is affiliated with the Underlying Fund.

#### Request for No-Action Position

Applicants respectfully request that the Staff confirm that it will not recommend that the Commission institute enforcement action under Sections 12(d)(1)(A), 12(d)(1)(B), 17(a)(1) and 17(a)(2) of the Act against any person relying on the Order (each, a “Covered Person”) if Underlying Funds, in which the Portfolios invest in reliance on the Order, acquire securities of one or more affiliated and/or unaffiliated investment companies for short-term cash management purposes in excess of the limits of Section 12(d)(1)(A) pursuant to exemptive relief from the Commission.

#### Rationale for Request

At the time that Applicants filed the amended application for the Order, Applicants expected many Underlying Funds to “sweep” uninvested cash into affiliated investment companies for short-term cash management purposes. Applicants’ expectations were based on the fact that, at that time many fund complexes included one or more funds appropriate for such

Janet M. Grossnickle  
April 11, 2012  
Page 3 of 4

purposes. Since that time, the structure of the investment company industry has changed and many fund complexes now do not include funds appropriate for the investment of uninvested cash for short-term cash management purposes.

As a result of these changes in the structure of the investment company industry, more recent applications for fund of funds relief similar to the Applicants' application do not limit the investment companies in which underlying funds in a fund of funds structure may invest in excess of the Section 12(d)(1)(A) limits for short-term cash management purposes to affiliated funds. Rather, they allow investments by underlying funds in excess of the limits of 12(d)(1)(A) in affiliated and unaffiliated funds for short-term cash management purposes.<sup>3</sup>

Under Rule 12d1-1 under the Act, moreover, an investment company (as defined in the rule) may purchase shares of a money market fund (as defined in the rule) in excess of the limits in Section 12(d)(1)(A), and a money market fund, its principal underwriter and a broker-dealer may sell the money market fund's shares to an investment company in excess of the limits set forth in Section 12(d)(1)(B) without regard to whether the investment company and the money market fund are affiliated or unaffiliated.<sup>4</sup> The Commission made clear in the adopting release for Rule 12d1-1 that the rule may be used by funds to invest uninvested cash on a short-term basis and explicitly stated that funds could invest in unaffiliated funds in reliance on the rule.<sup>5</sup>

Applicants assert that granting the relief requested would merely align the Order with more recent fund of funds orders and be consistent with the approach taken by the Commission in adopting Rule 12d1-1. If the Staff issues the no action position requested, Covered Persons will comply with Condition 12 of the Order as if it read:

No Underlying Fund will acquire securities of any other investment company or company relying on section 3(c)(1) or 3(c)(7) of the Act in excess of the limits contained in section 12(d)(1)(A) of the Act, except to the extent that such Underlying Fund: (a) receives securities of another investment company as a dividend or as a result of a plan of reorganization of a company (other than a plan devised for the purpose of evading section 12(d)(1) of the Act); or (b) acquires (or is deemed to have acquired) securities of another investment company pursuant to exemptive relief from the Commission permitting such Underlying Fund to: (i) acquire securities of one or more ~~affiliated~~ investment companies for short-term

---

<sup>3</sup> E.g., Jackson National Life Insurance Company, et al., Investment Company Act Release Nos. 29442 (September 27, 2010) and 29484 (October 25, 2010).

<sup>4</sup> Fund of Funds Investments, Investment Company Act Release No. 27399 (June 20, 2006) ("FOF Release").

<sup>5</sup> See FOF Release at note 26 (and surrounding text) (noting that a fund in a small complex that does not have a money market fund may invest available cash in an unaffiliated money market fund).

Janet M. Grossnickle  
April 11, 2012  
Page 4 of 4

cash management purposes, or (ii) engage in interfund borrowing and lending transactions.

Covered Persons will otherwise comply with all of the terms and conditions of the Order.

Conclusion

Under the circumstances, Applicants believe that the Staff may appropriately conclude that the requested relief is warranted. Accordingly, Applicants respectfully request that the Staff agree not to recommend that the Commission institute enforcement action under the circumstances described.

Applicants appreciate the Staff's consideration of this request. Please do not hesitate to contact the undersigned directly at (617) 261-3163 or Stacy Fuller at (202) 778-9475 with any questions regarding this request.

Respectfully submitted,

Handwritten signature of Mark P. Goshko in black ink, written in a cursive style.

Mark P. Goshko

cc: Christopher Sechler  
John Hancock Financial Services  
Elizabeth M. Osterman  
Daniele Marchesani  
Jean E. Minarick  
U.S. Securities and Exchange Commission  
Stacy L. Fuller  
K&L Gates LLP