



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

June 26, 2007

Peter N. McIsaac
Kirkpatrick & Lockhart, Preston, Gates, Ellis, LLP
State Street Financial Center
One Lincoln Street
Boston, MA 02111-2950

Re: In the matter of John Hancock Investment Management Services, LLC, John Hancock Distributors, LLC, John Hancock Advisers, LLC and John Hancock Funds, LLC - **Waiver Request of Ineligible Issuer Status under Rule 405 of the Securities Act**

Dear Mr. McIsaac:

This is in response to your letter dated June 13, 2007, written on behalf of your client Manulife Financial Corporation (Company) and constituting an application for relief from the Company being considered an "ineligible issuer" under Rule 405(1)(vi) of the Securities Act of 1933 (Securities Act). The Company requests relief from being considered an ineligible issuer under Rule 405, due to the entry on June 25, 2007, of a Commission Order (Order) pursuant to Section 15(b) the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940, naming as respondents John Hancock Investment Management Services, LLC; John Hancock Distributors, LLC; John Hancock Advisers, LLC; and John Hancock Funds, LLC (Respondents), all of which are subsidiaries of the Company.

Based on the facts and representations in your letter, and assuming the Company and the Respondents comply with the Order, the Commission, pursuant to delegated authority has determined that the Company has made a showing of good cause under Rule 405(2) and that the Company will not be considered an ineligible issuer by reason of the entry of the Order. Accordingly, the relief described above from the Company being an ineligible issuer under Rule 405 of the Securities Act is hereby granted. Any different facts from those represented or non-compliance with the Order might require us to reach a different conclusion.

Sincerely,

A handwritten signature in cursive script that reads "Mary Kosterlitz".

Mary Kosterlitz, Chief
Office of Enforcement Liaison
Division of Corporation Finance

Peter N. McIsaac

617.261.3225
Fax: 617.261.3175
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June 13, 2007

VIA E-MAIL AND FIRST CLASS MAIL

Mary J. Kosterlitz, Esq.
Chief, Office of Enforcement Liaison
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-0506

Dear Ms. Kosterlitz:

We submit this letter on behalf of Manulife Financial Corporation (“**Manulife Financial**” or the “**Applicant**”) in connection with a contemplated settlement between the Securities and Exchange Commission (the “**Commission**”) and subsidiaries of Manulife Financial in the above-referenced matter. The contemplated settlement would result in the issuance of an order that is described below.

The Applicant hereby requests that it not be deemed an “ineligible issuer” as defined in Rule 405 under the Securities Act of 1933, as amended (the “**Securities Act**”) for any purpose, including the use of free-writing prospectuses, as a result of a contemplated settlement and entry of an order instituting administrative and cease-and-desist proceedings against John Hancock Investment Management Services, LLC, John Hancock Distributors LLC, John Hancock Funds, LLC and John Hancock Advisers, LLC (the “**Respondents**”), subsidiaries of Manulife Financial. Relief from the ineligible issuer provisions is appropriate in the circumstances of this case for the reasons given below. The Applicant further requests that the determination sought be effective upon the entry of the order.

Background

The staff of the Division of Enforcement in the Boston district office has engaged in settlement discussions with the Respondents in connection with alleged directed brokerage activities. As a result of these discussions, the Respondents have submitted Offers of Settlement (the “**Offers**”) to be presented to the Commission in which the Respondents neither admit nor deny the findings in the Order (as defined below).

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In the Offers, solely for the purpose of proceedings brought by or on behalf of the Commission or to which the Commission is a party, the Respondents consent to the entry of an Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (the “**Order**”), without admitting or denying the findings contained therein (other than those relating to the jurisdiction of the Commission, which are admitted). In the Order, if issued by the Commission in its present form, the Commission will make certain findings concerning the Respondents' use of directed brokerage and will find that Respondents John Hancock Advisers, LLC and John Hancock Investment Management Services, LLC violated Section 206(2) of the Investment Advisers Act of 1940 (the “**Advisers Act**”), and Section 34(b) of the Investment Company Act of 1940, which are anti-fraud provisions of the federal securities laws that do not require a showing of scienter. The Commission will find further that Respondents John Hancock Distributors LLC and John Hancock Funds, LLC caused and aided and abetted the other Respondents' violations of Section 206(2) of the Advisers Act. Additionally, the Order will censure the Respondents, order each of them to cease and desist from such violative conduct, and require that the Respondents jointly and severally pay disgorgement in the amount of \$16.8 million and each pay a civil monetary penalty of \$500,000.

Manulife Financial is a publicly traded company with its common stock listed on the New York Stock Exchange and is a reporting company under the Securities Exchange Act of 1934 (the “**Exchange Act**”). The Respondents are all wholly-owned subsidiaries of Manulife Financial. Both John Hancock Advisers, LLC and John Hancock Investment Management Services, LLC are registered investment advisers. Both John Hancock Distributors LLC and John Hancock Funds, LLC are registered broker-dealers.

Discussion

In 2005, the Commission adopted rules permitting the use of free-writing prospectuses in registered offerings by issuers, including, but not limited to, seasoned issuers and non-reporting issuers. Manulife Financial qualifies as a “seasoned issuer” permitted to make filings on Form F-3. Pursuant to Rule 433(b)(1), seasoned issuers may make liberal use of a free-writing prospectus (as defined in Rule 405) subject to the conditions set forth in Rule 164(e), (f) and (g). Similarly, Rule 433(b)(2) permits non-reporting issuers flexibility in the use of free-writing prospectuses. Rule 164(e), however, prohibits ineligible issuers (as defined in Rule 405) from broad use of a free-writing prospectuses by limiting free-writing prospectuses to a description of the terms of the security offered. Rule 405 makes an issuer ineligible when, among other things:

- (vi) Within the past three years (but in the case of a decree or order agreed to in a settlement, not before December 1, 2005), the issuer or any entity that at the time was a

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subsidiary of the issuer was made the subject of any judicial or administrative decree or order arising out of a governmental action that: (A) Prohibits certain conduct or activities regarding, including future violations of, the anti-fraud provisions of the federal securities laws; (B) Requires that the person cease and desist from violating the anti-fraud provisions of the federal securities laws; or (C) Determines that the person violated the anti-fraud provisions of the federal securities laws.¹

In addition to defining an ineligible issuer, Rule 405 authorizes the Commission to relieve an issuer of such status: "An issuer shall not be an ineligible issuer if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer."² The Commission has delegated the function of granting or denying such applications to the Director of the Division of Corporation Finance.³

Absent relief, Manulife Financial would, upon the entry of the Order, immediately become an ineligible issuer because of the terms of the Order against the Respondents, and would be precluded from utilizing a free-writing prospectus. The Applicant therefore requests that the Commission or its delegate determine that Manulife Financial not be considered an ineligible issuer, now or in the future, as a result of the entry of the Order, for the following reasons:

1. Designation of Manulife Financial as an ineligible issuer is not warranted given the nature of the violations found in the Order. In particular, the anti-fraud violations set forth in the Order were not the result any material misstatements or omissions on behalf of Manulife Financial. The Order does not challenge Manulife Financial's disclosures in its own filings with the Commission, nor does it allege fraud in connection with any offerings by Manulife Financial;

2. Denying this waiver request would be unduly and disproportionately severe given that the Respondents must pay a significant civil penalty pursuant to the Order;

¹ Rule 405 (definition of ineligible issuer, para. (1)(vi)).

² *Id.* (definition of ineligible issuer, para. (2)).

³ Rule 30-1 provides in relevant part that "[p]ursuant to the provisions of Public Law No. 87-592..., the Securities and Exchange Commission hereby delegates, until the Commission orders otherwise, the following functions to the Director of the Division of Corporation Finance to be performed by him or under his direction by such person ... as may be designated from time to time by the Chairman of the Commission: [Securities Act Functions] (a) With respect to registration of securities pursuant to the Securities Act ... (10) To authorize the granting or denial of applications, upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer as defined in Rule 405." 17 C.F.R. § 200.30-1(a)(10).

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3. Manulife Financial and the Respondents have strong records of compliance with the securities laws. In addition, the Respondents voluntarily and extensively cooperated with the Division of Enforcement staff in connection with its review; and

4. The Respondents have adopted or have agreed to adopt policies and procedures reasonably designed to prevent and detect future conduct of the type alleged in the Order.

In light of these considerations, there is good cause to determine that Manulife Financial should not be considered an "ineligible issuer" under Rule 405. We respectfully request the Commission to make that determination.

If you have any questions, please feel free to contact the undersigned at (617) 261-3225.

Very truly yours,



Peter N. McIsaac

cc: James Fay, Esq.
Securities & Exchange Commission
Boston District Office