HANCOCK JOHN PATRIOT PREMIUM DIVIDEND FUND II
Form N-14 8C
January 08, 2007

As filed with the U.S. Securities and Exchange Commission on January 8, 2007

File Nos. 333-

811-05908

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM N-14

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 [X]

Pre-Effective Amendment No. [ ]

Post-Effective Amendment No. [ ]

JOHN HANCOCK PATRIOT PREMIUM DIVIDEND FUND II

(Exact Name of Registrant as Specified in Charter)

601 Congress Street

Boston, Massachusetts 02110

(Address of Principal Executive Offices)

(617) 663-4324

(Registrant s Area Code and Telephone Number)

With copies to:

Alfred E. Ouellette	**Mark P. Goshko, Esq.**
601 Congress Street	**Kirkpatrick & Lockhart Preston Gates Ellis LLP**
Boston, Massachusetts 02110	**One Lincoln Street**
(Name and Address of Agent for Service)	**Boston, Massachusetts 02111**

AS SOON AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS REGISTRATION STATEMENT

(Approximate Date of Proposed Public Offering)

CALCULATION OF REGISTRATION FEE UNDER THE SECURITIES ACT OF 1933

Title of Securities Being Registered	Amount Being Registered (1)	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock	87,412	$11.44	1,000,000	$107.00
Dutch Auction Rate Transferable Securities Preferred Shares	1,000,000	$100,000	1,000,000	$107.00

(1) Estimated solely for the purposes of calculating the filing fee.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

JOHN HANCOCK PATRIOT PREMIUM DIVIDEND FUND II (the REGISTRANT)

CONTENTS OF REGISTRATION STATEMENT

This Registration Statement contains the following papers and documents:

Cover Sheet

Contents of Registration Statement

Question and Answers to Shareholders of John Hancock Patriot Premium Dividend Fund I, John Hancock Patriot Premium Dividend Fund II, John Hancock Patriot Select Dividend Trust, John Hancock Patriot Global Dividend Fund, and John Hancock Patriot Preferred Dividend Fund

Notice of Annual Meeting to Shareholders of John Hancock Patriot Premium Dividend Fund I, John Hancock Patriot Premium Dividend Fund II, John Hancock Patriot Select Dividend Trust, John Hancock Patriot Global Dividend Fund, and John Hancock Patriot Preferred Dividend Fund

Part A Joint Proxy Statement/Prospectus of John Hancock Patriot Premium Dividend Fund I, John Hancock Patriot Premium Dividend Fund II, John Hancock Patriot Select Dividend Trust, John Hancock Patriot Global Dividend Fund, and John Hancock Patriot Preferred Dividend Fund

Part B - Statement of Additional Information of John Hancock Patriot Premium Dividend Fund I, John Hancock Patriot Premium Dividend Fund II, John Hancock Patriot Select Dividend Trust, John Hancock Patriot Global Dividend Fund, and John Hancock Patriot Preferred Dividend Fund

Part C - Other Information

Signature Page

Exhibits

.

[JOHN HANCOCK LOGO]

Dear Shareholder:

I want to share with you the details of an important proxy that is enclosed and requires your action. It is being sent to you because you own one or more of the following funds:

John Hancock Patriot Premium Dividend Fund I (NYSE: PDF)

John Hancock Patriot Select Dividend Trust (NYSE: DIV)

John Hancock Patriot Global Dividend Fund (NYSE: PGD)

John Hancock Patriot Preferred Dividend Fund (NYSE: PPF)

Your Board of Trustees approved the reorganization of the four Patriot closed-end funds listed above, on

December 5, 2006. The funds will be reorganized into a fifth closed-end fund: **John Hancock Patriot Premium Dividend Fund II** (NYSE: PDT).

There are three key benefits of the reorganization that I would like you to know about.

Shareholders will potentially benefit from Patriot Premium Dividend Fund II s reduced annual operating expenses. In addition, certain fixed administrative costs will be spread across the combined fund s larger asset base, and this is designed to increase the Fund s overall efficiency.

The Patriot Premium Dividend Fund II has a history of providing solid, long-term performance. It seeks high level of current income and modest growth of capital by investing in a diversified portfolio of dividend paying stocks. In addition, the Fund pursues the same or similar investment objective and has similar investment policies as the four funds above.

The same seasoned and skilled management team that guides your current fund will guide the Patriot Premium Dividend Fund II. Gregory Phelps has 26 years of experience and Mark Maloney has worked in the industry for 31 years. Both have long and accomplished tenures at John Hancock Funds.

Following the reorganizations, the substantially larger Patriot Premium Dividend Fund II is designed to provide an additional benefit: enhanced market liquidity. This may help reduce the extent of trading discounts that occur in a smaller trading market.

What Happens Next?

It is expected that each fund s reorganization will qualify as a tax-free reorganization for federal income tax purposes. Subject to certain limitations, the funds will bear the reorganization costs. As part of the reorganization, holders of common shares will be issued new common shares of Patriot Premium Dividend Fund II. Please note that the total net asset value of these new shares will equal the net asset value of your shares prior to the reorganization, although the number of shares may be different. If you are a holder of preferred shares of a fund, you will receive newly-issued preferred shares of Patriot Premium Dividend Fund II, the aggregate liquidation preference of which will equal the aggregate liquidation preference of the preferred shares you held immediately prior to the reorganization.

If shareholders approve the reorganizations, and certain conditions are met, the reorganizations are expected to occur in the Spring of 2007.

Your Vote Matters

You will be asked to approve these changes and your vote matters. No matter how large or small your Fund holdings, your vote is extremely important. Please review the enclosed proxy materials and submit your vote promptly to help us avoid the need for additional mailings. For your convenience, you may vote one of three ways: via telephone by calling 1-866-540-5760; via mail by returning the enclosed voting card; or via the Internet by visiting http://www.proxyvoting.com/ (ticker symbol of the fund) and selecting the shareholder entryway.

I am confident that the proposed change will help us better serve you and all of the funds shareholders. If you have questions, please call a John Hancock service representative at (800) 843-0090 between 8:30 A.M and 7:00 P.M. Eastern Time. I thank you your for prompt vote on this matter.

Sincerely

/s/ Keith F. Hartstein

Keith F. Hartstein

President and Chief Executive Officer

John Hancock Funds, LLC, 601 Congress Street, Boston, MA 02210, Member NASD John Hancock Advisers, LLC John Hancock Signature Services, Inc.

[FEBRUARY [ ]] 2007

IMPORTANT NOTICE

TO SHAREHOLDERS OF

JOHN HANCOCK PATRIOT PREMIUM DIVIDEND FUND I

JOHN HANCOCK PATRIOT SELECT DIVIDEND TRUST

JOHN HANCOCK PATRIOT GLOBAL DIVIDEND FUND

JOHN HANCOCK PATRIOT PREFERRED DIVIDEND FUND AND

JOHN HANCOCK PATRIOT

PREMIUM DIVIDEND FUND II

(each, a Fund)

QUESTIONS & ANSWERS

Although we recommend that you read the complete Joint Proxy Statement/ Prospectus, we have provided for your convenience a brief overview of the issues to be voted on.

APPROVAL OF REORGANIZATIONS OF THE ACQUIRED FUNDS AND ISSUANCE OF ADDITIONAL COMMON AND PREFERRED SHARES

Q: WHAT IS BEING PROPOSED AT THE SHAREHOLDER MEETING?

A: *Shareholders of John Hancock Patriot Premium Dividend Fund I, John Hancock Patriot Select Dividend Trust, John Hancock Patriot Global Dividend Fund and John Hancock Patriot Preferred Dividend Fund*: You are being asked to vote on a reorganization (each a Reorganization and collectively the Reorganizations) of your Fund (each such Fund being referred to herein as an Acquired Fund and together as the Acquired Funds) into John Hancock Patriot Premium Dividend Fund II (the Acquiring Fund), a closed-end fund that pursues the same or a substantially similar investment objective, has similar investment policies and is managed by the same investment advisory personnel as the Acquired Funds.

Common Shareholders of John Hancock Patriot Premium Dividend Fund II: You are being asked to vote on the issuance of additional common shares of the Acquiring Fund in connection with the Reorganizations.

Holders of Preferred Shares of John Hancock Patriot Premium Dividend Fund II: You are being asked to vote on the issuance of additional series of preferred shares of the Acquiring Fund in connection with the Reorganizations.

Q: WHY IS EACH REORGANIZATION BEING RECOMMENDED?
A: The Board of Trustees of each Fund has determined that each Reorganization will benefit common shareholders of the respective Acquired Fund and the Acquiring Fund. The Acquired Funds and the Acquiring Fund are similar. Each Fund (other than the John Hancock Patriot Preferred Dividend Fund) seeks to provide a high level of current income, consistent with modest growth of capital for holders of its common shares. John Hancock Patriot Preferred Dividend Fund seeks to provide a high level of current income, consistent with preservation of capital. Each Fund is managed by the same investment advisory personnel. After the Reorganizations, it is anticipated that common shareholders of each Fund will experience a reduced annual operating expense ratio, as certain fixed administrative costs will be spread across the combined fund s larger asset base. It is not anticipated that the Reorganizations will directly benefit preferred shareholders of the Funds; however, the Reorganizations will not adversely affect preferred shareholders and none of the expenses of the Reorganizations will be borne by preferred shareholders of the Acquiring Fund. The Joint Proxy Statement/Prospectus contains further details on the additional reasons that the Reorganizations are being recommended by the Board of Trustees of each Fund.

Q: HOW WILL THE REORGANIZATIONS AFFECT ME?
A: Assuming shareholders approve the Reorganizations of the Acquired Funds and shareholders of the Acquiring Fund approve the issuance of additional common shares and preferred shares of the Acquiring Fund, the assets and liabilities of the Acquired Funds will be combined with those of the Acquiring Fund and the Acquired Funds will dissolve.

Shareholders of the Acquired Funds: You will become a shareholder of the Acquiring Fund. If you are a holder of common shares of an Acquired Fund, you will receive newly-issued common shares of the Acquiring Fund, the aggregate net asset value of which will equal the aggregate net asset value of the common shares you held immediately prior to the Reorganization, less the costs of the Reorganization (though you may receive cash for fractional shares). Of course, the Acquiring Fund Common Shares received by common shareholders of an Acquired Fund may trade on the New York Stock Exchange (NYSE) at a discount from net asset value, which might be greater or less than the trading discount of common shares of an Acquired Fund at the time of the relevant closing of the Reorganization. If you are a holder of preferred shares of an Acquired Fund, you will receive newly-issued preferred shares of the Acquiring Fund, the aggregate liquidation preference of which will equal the aggregate liquidation preference of the preferred shares you held immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Dutch Auction Rate Transferable Securities preferred shares of the Acquiring Fund (Acquiring Fund DARTS) received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization. The closings of the Reorganizations are conditioned upon the Acquiring Fund DARTS receiving a rating of AA from Standard & Poor s Rating Group and aa2 from Moody s Investors Service, Inc.

Shareholders of the Acquiring Fund: You will remain a shareholder of the Acquiring Fund.

Q: WILL I HAVE TO PAY ANY SALES LOAD, COMMISSION OR OTHER SIMILAR FEE IN CONNECTION WITH THE REORGANIZATIONS?
A: You will pay no sales loads or commissions in connection with the Reorganizations. However, if the

Reorganizations are completed, the costs associated with the Reorganizations will be borne by common shareholders of the Acquired Funds and the Acquiring Fund in proportion to and up to the amount of their first year s projected annual expense savings as a result of the Reorganizations. John Hancock Advisers, LLC, the adviser to each of the Funds, will bear the balance of the Reorganization costs.

Q: WILL I HAVE TO PAY ANY FEDERAL TAXES AS A RESULT OF THE REORGANIZATIONS?
A: Each of the Reorganizations is intended to qualify as a reorganization within the meaning of Section 368(a)(1) of the Internal Revenue Code of 1986, as amended. If the Reorganizations so qualify, in general, shareholders of the Acquired Funds will recognize no gain or loss upon the receipt solely of shares of the Acquiring Fund in connection with the Reorganizations. Additionally, the Acquired Funds will recognize no gain or loss as a result of the transfer of all of their assets and liabilities in exchange for the shares of the Acquiring Fund or as a result of their dissolution. Neither the Acquiring Fund nor its shareholders will recognize any gain or loss in connection with the Reorganizations.

Q: WHAT HAPPENS IF SHAREHOLDERS OF ONE ACQUIRED FUND DO NOT APPROVE ITS REORGANIZATION BUT SHAREHOLDERS OF ANOTHER ACQUIRED FUND DO APPROVE ITS REORGANIZATION?
A: An unfavorable vote on a proposed Reorganization by the shareholders of one Acquired Fund will not affect the implementation of a Reorganization by another Acquired Fund, if such Reorganization is approved by the shareholders of such Acquired Fund and the issuance of additional common shares and preferred shares is approved by the shareholders of the Acquiring Fund.

Q: WHY IS THE VOTE OF SHAREHOLDERS OF THE ACQUIRING FUND BEING SOLICITED?
A: Although the Acquiring Fund will continue its legal existence and operations after the Reorganizations, the rules of the NYSE (on which the Acquiring Fund s common shares are listed) require the Acquiring Fund s common shareholders to approve the issuance of additional common shares in connection with the Reorganizations. In addition, the By-Laws of the Acquiring Fund require the affirmative vote of the holders of the outstanding preferred shares to issue any additional series of preferred shares.

If the issuance of additional common shares or preferred shares of the Acquiring Fund is not approved, none of the Reorganizations will occur.

Q: HOW DOES THE BOARD OF TRUSTEES OF MY FUND SUGGEST THAT I VOTE?
A: After careful consideration, the Board of Trustees of your Fund recommends that you vote FOR the item proposed for your Fund.

ELECTION OF TRUSTEES

Q: WHY AM I BEING ASKED TO VOTE FOR BOARD MEMBERS?

A: The rules of the NYSE require all registered companies to hold an annual shareholder meeting and elect board members. The shareholders of each Fund are being asked to elect Trustees on the Board of Trustees to serve until their respective successors are duly elected and qualified. Each Board of Trustees is divided into three staggered term classes containing three Trustees. The term of one class expires each year and no term continues for more than three years after the applicable election.

GENERAL

Q: HOW DO I VOTE MY PROXY?
A: You may vote one of three ways: via telephone by calling the phone number on your proxy card, via mail by returning the enclosed voting card or via the Internet by visiting www.jhfunds.com and selecting the shareholder entryway.

Q: WHO DO I CONTACT FOR FURTHER INFORMATION?
A: You can contact your financial adviser for further information. You may also contact a John Hancock Funds Customer Service Representative at (800) 843-0090 between 8:30 a.m. and 7:00 p.m. Eastern Time.

JOHN HANCOCK PATRIOT PREMIUM DIVIDEND FUND I

JOHN HANCOCK PATRIOT PREMIUM DIVIDEND FUND II

JOHN HANCOCK PATRIOT SELECT DIVIDEND TRUST

JOHN HANCOCK PATRIOT GLOBAL DIVIDEND FUND

JOHN HANCOCK PATRIOT PREFERRED DIVIDEND FUND

(each, a Fund)

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD [APRIL [ ]], 2007

This is the formal agenda for your Fund s shareholder meeting. It tells you what matters will be voted on and the time and place of the meeting in case you want to attend in person.

To the shareholders of each Fund:

A joint shareholder meeting for your Fund(s) will be held at 601 Congress Street, Boston, Massachusetts, on [April [ ]], 2007, at 9:00 a.m., Eastern Time, to consider the following:

1.

For common shareholders of John Hancock Patriot Premium Dividend Fund II (the Acquiring Fund), a proposal to approve the issuance of additional common shares of the Acquiring Fund in connection with each Agreement and Plan of Reorganization. **The Board of Trustees of the Acquiring Fund recommends that you vote FOR this proposal**.

2.

For holders of Dutch Auction Rate Transferable Securities preferred shares (DARTS), Series A and DARTS, Series B, of the Acquiring Fund, a proposal to approve the issuance of additional series of DARTS in connection with each Agreement and Plan of Reorganization. **The Board of Trustees of the Acquiring Fund recommends that you vote FOR this proposal.**

3.

For shareholders of John Hancock Patriot Premium Dividend Fund I (Premium Dividend Fund I), a proposal to approve an Agreement and Plan of Reorganization between Premium Dividend Fund I and the Acquiring Fund, the termination of Premium Dividend Fund I s registration under the Investment Company Act of 1940, as amended (the 1940 Act), and the dissolution of Premium Dividend Fund I under applicable state law. Under this Agreement, the Acquiring Fund will acquire substantially all of the assets and assume substantially all of the liabilities of Premium Dividend Fund I in exchange for an equal aggregate value of newly-issued common shares of beneficial interest of the Acquiring Fund, with no par value (Acquiring Fund Common Shares), and newly-issued DARTS with no par value and a liquidation preference of $100,000 per share (Acquiring Fund DARTS). Your Fund will distribute Acquiring Fund Common Shares to common shareholders of your Fund and Acquiring Fund DARTS to DARTS shareholders of your Fund and will then terminate its registration under the 1940 Act and dissolve under applicable state law. The aggregate net asset value of Acquiring Fund Common Shares received will equal the aggregate net asset value of your common shares held immediately prior to the Reorganization, less the costs of the Reorganization (though common shareholders may receive cash for their fractional shares). The aggregate liquidation preference of Acquiring Fund DARTS received in the Reorganization will equal the aggregate liquidation preference of DARTS of your Fund held immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization. The Acquiring Fund DARTS a re expected to receive a rating of AA from Standard & Poor s Rating Group and aa2 from Moody s Investors Service, Inc. The Acquiring Fund will continue to operate after the Reorganizations as a registered closed-end investment company with the investment objective and policies described in this Joint Proxy Statement/Prospectus. **The Board of Trustees of Premium Dividend Fund I recommends that you vote FOR this proposal.**

4.

For shareholders of John Hancock Patriot Select Dividend Trust (Select Dividend Trust), a proposal to approve an Agreement and Plan of Reorganization between Select Dividend Trust and the Acquiring Fund, the termination of Select Dividend Trust s registration under the 1940 Act and the dissolution of Select Dividend Trust under applicable state law. Under this Agreement, the Acquiring Fund will acquire substantially all of the assets and assume substantially all of the liabilities of Select Dividend Trust in exchange for an equal aggregate value of newly-issued Acquiring Fund Common Shares and newly-issued Acquiring Fund DARTS. Your Fund will distribute Acquiring Fund Common Shares to common shareholders of your Fund and Acquiring Fund DARTS to holders of Auction Market Preferred Shares (AMPS) of your Fund and will then terminate its registration under the 19 40 Act and dissolve under applicable state law. The aggregate net asset value of Acquiring Fund Common Shares received will equal the aggregate net asset value of your common shares held immediately prior to the Reorganization, less the costs of the Reorganization (though common shareholders may receive cash for their fractional shares). The aggregate liquidation preference of Acquiring Fund DARTS received in the Reorganization will equal the aggregate liquidation preference of AMPS of your Fund held immediately prior the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization. In addition, the ratings expected to be received by the Acquiring Fund DARTS are the same as the ratings received by the DARTS of your Fund. The Acquiring Fund will continue to operate after the Reorganizations as a registered closed-end investment company with the investment objective and policies described in this Joint Proxy Statement/Prospectus. **The Board of Trustees of Select Dividend Trust recommends that you vote FOR this proposal.**

5.

For shareholders of John Hancock Patriot Global Dividend Fund (Global Dividend Fund), a proposal to approve an Agreement and Plan of Reorganization between Global Dividend Fund and the Acquiring Fund, the termination of Global Dividend Fund s registration under the 1940 Act and the dissolution of Global Dividend Fund under applicable state law. Under this Agreement, the Acquiring Fund will acquire substantially all of the assets and assume substantially all of the liabilities of Global Dividend Fund in exchange for an equal aggregate value of newly-issued Acquiring Fund Common Shares and newly-issued Acquiring Fund DARTS. Your Fund will distribute Acquiring Fund Common Shares to common shareholders of your Fund and Acquiring Fund DARTS to holders of DARTS of your Fund and will then terminate its registration under the 1940 Act and dissolve under applicable state law. &nb sp;The aggregate net asset value of Acquiring Fund Common Shares received will equal the aggregate net asset value of your common shares held immediately prior to the Reorganization, less the costs of the Reorganization (though common shareholders may receive cash for their fractional shares). The aggregate liquidation preference of Acquiring Fund DARTS received in the Reorganization will equal the aggregate liquidation preference of DARTS of your Fund held immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization. In addition, the ratings expected to be received by the Acquiring Fund DARTS are the same as the ratings received by the DARTS of your Fund. The Acquiring Fund will continue to operate after the Reorganizations as a registered closed-end investment company with the investment objecti ve and policies described in this Joint Proxy Statement/Prospectus. **The Board of Trustees of Global Dividend Fund recommends that you vote FOR this proposal.**

6.

For shareholders of the John Hancock Patriot Preferred Dividend Fund (Preferred Dividend Fund), a proposal to approve an Agreement and Plan of Reorganization between Preferred Dividend Fund and the Acquiring Fund, the termination of Preferred Dividend Fund s registration under the 1940 Act and the dissolution of Preferred Dividend Fund under applicable state law. Under this Agreement, the Acquiring Fund will acquire substantially all of the assets and assume substantially all of the liabilities of Preferred Dividend Fund in exchange for an equal aggregate value of newly-issued Acquiring Fund Common Shares and newly-issued Acquiring Fund DARTS. Your Fund will distribute Acquiring Fund Common Shares to common shareholders of your Fund and Acquiring Fund DARTS to holders of Auction Rate Preferred Shares (ARPS) of your Fund and will then terminate its registratio n under the 1940 Act and dissolve under applicable state law. The aggregate net asset value of Acquiring Fund Common Shares received will equal the aggregate net asset value of your common shares held immediately prior to the Reorganization, less the costs of the Reorganization (though common shareholders may receive cash for their fractional shares). The aggregate liquidation preference of Acquiring Fund DARTS received in the Reorganization will equal the aggregate liquidation preference of ARPS of your Fund held immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization. The Acquiring Fund DARTS are expected to receive a rating of AA from Standard & Poor s Rating Group and aa2 from Moody s Investors Service, Inc. The Acquiring Fund will continue to o perate after the Reorganizations as a registered closed-end investment company with the investment objective and policies described in this Joint Proxy Statement/Prospectus. **The Board of Trustees of Preferred Dividend Fund recommends that you vote FOR this proposal.**

7.

For shareholders of each Fund to elect Trustees to serve until their respective successors are duly elected and qualified. Common shareholders of each Fund may elect two Trustees and preferred shareholders of each Fund may elect one Trustee. **The Board of Trustees of each Fund recommends that you vote FOR this proposal.**

8.

Any other business that may properly come before the meeting.

Shareholders of record as of the close of business on [February 12], 2007, are entitled to vote at the meeting or any adjournment thereof.

Whether or not you expect to attend the meeting, please complete and return the enclosed proxy card. If shareholders do not return their proxies in sufficient numbers, it may result in additional shareholder solicitation.

By order of the Board of Trustees,

Thomas M. Kinzler

Secretary

[ ], 2007

PROXY STATEMENT of

John Hancock Patriot Premium Dividend Fund II

(Premium Dividend Fund II or the Acquiring Fund)

PROXY STATEMENT of

John Hancock Patriot Premium Dividend Fund I (Premium Dividend Fund I)

John Hancock Patriot Select Dividend Trust (Select Dividend Trust)

John Hancock Patriot Global Dividend Fund (Global Dividend Fund)

John Hancock Patriot Preferred Dividend Fund (Preferred Dividend Fund)

(each, an Acquired Fund)

PROSPECTUS for

Common Shares,

Dutch Auction Rate Transferable Securities preferred shares (DARTS), Series C; DARTS, Series D; DARTS, Series E; and DARTS, Series F

of Premium Dividend Fund II

*

*

*

ELECTION OF TRUSTEES of

the Acquiring Fund and the Acquired Funds (each, a Fund)

The address of each of the Funds is 601 Congress Street, Boston, Massachusetts 02210 and the telephone number of each of the Funds is (800) 843-0090.

* * * * * *

This Joint Proxy Statement and Prospectus contains the information shareholders should know before voting on the proposed reorganization (the Reorganization). Please read it carefully and retain it for future reference.

	Shareholders Entitled to Vote
Proposal 1(a)	Premium Dividend Fund II common Shareholders
Proposal 1(b)	Holders of DARTS, Series A and Series B of Premium Dividend Fund II
Proposal 2	Acquired Fund shareholders
Proposal 3	Shareholders of each Fund

How the Reorganization Will Work

¡

Each Acquired Fund will transfer all of its assets to the Acquiring Fund. The Acquiring Fund will assume each Acquired Fund s liabilities.

¡

The Acquiring Fund will issue newly-issued common shares of beneficial interest of the Acquiring Fund, with no par value (Acquiring Fund Common Shares), in an amount equal to the value of each Acquired Fund s net assets attributable to its common shares. These shares will be distributed to each Acquired Fund s common shareholders in proportion to their holdings immediately prior to the Reorganization, less the costs of the Reorganization (though common shareholders may receive cash for their fractional shares).

¡

The Acquiring Fund will issue an additional series of preferred shares (Acquiring Fund DARTS, Series C) with no par value and a liquidation preference of $100,000 per share to Premium Dividend Fund I. The additional series of preferred shares is expected to be designated as Series C, but will be designated in the order that such series is issued by the Acquiring Fund. The aggregate liquidation preference of Acquiring Fund DARTS, Series C received in the Reorganization will equal the aggregate liquidation preference of DARTS, Series A of Premium Dividend Fund I held immediately prior to the Reorganization. The Acquiring Fund DARTS, Series C will be distributed to Premium Dividend Fund I s holders of DARTS, Series A in proportion to their holdings immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization.

¡

The Acquiring Fund will issue an additional series of preferred shares (Acquiring Fund DARTS, Series D) with no par value and a liquidation preference of $100,000 per share to Select Dividend Trust. The additional series of preferred shares is expected to be designated as Series D, but will be designated in the order that such series is issued by the Acquiring Fund. The aggregate liquidation preference of Acquiring Fund DARTS, Series D received in the Reorganization will equal the aggregate liquidation preference of Auction Market Preferred Shares Series A of Select Dividend Trust held immediately prior to the Reorganization. The Acquiring Fund DARTS, Series D will be distributed to holders of Auction Market Preferred Shares (AMPS), Series A of Select Dividend Trust in proportion to their holdings immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization.

¡

The Acquiring Fund will issue an additional series of preferred shares (Acquiring Fund DARTS, Series E) with no par value and a liquidation preference of $100,000 per share to Preferred Dividend Fund. The additional series of preferred shares is expected to be designated as Series E, but will be designated in the order that such series is issued by the Acquiring Fund. The aggregate liquidation preference of Acquiring Fund DARTS, Series E received in the Reorganization will equal the aggregate liquidation preference of Auction Rate Preferred Shares of Preferred Dividend Fund held immediately prior to the Reorganization. The Acquiring Fund DARTS, Series E will be distributed to holders of Auction Rate Preferred Shares (ARPS) of Preferred Dividend Fund in proportion to their holdings immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization.

¡

The Acquiring Fund will issue an additional series of preferred shares (Acquiring Fund DARTS, Series F) with no par value and a liquidation preference of $100,000 per share to Global Dividend Fund. The additional series of preferred shares is expected to be designated as Series F, but will be designated in the order that such series is issued by the Acquiring Fund. The aggregate liquidation preference of Acquiring Fund DARTS, Series F received in the Reorganization will equal the aggregate liquidation preference of DARTS of Global Dividend Fund held immediately prior to the Reorganization. The Acquiring Fund DARTS, Series F will be distributed to holders of DARTS of Global Dividend Fund in proportion to their holdings immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization.

¡

The Acquiring Fund s Declaration of Trust and By-Laws will be amended upon approval of the issuance of additional series of preferred shares to reflect such series that are created.

¡

Each Acquired Fund will be terminated and Acquired Fund shareholders will become shareholders of the Acquiring Fund.

¡

The Reorganization of each Fund is conditioned upon the approval of its shareholders. However, the Reorganization of a specific Acquired Fund will proceed even if one or more of the other Reorganizations are not approved provided that such Reorganization is approved by the Acquired Fund s shareholders and the issuance of additional common shares and preferred shares is approved by the shareholders of the Acquiring Fund. In the event the Acquiring Fund common shareholders or preferred shareholders do not approve the issuance of additional common shares or additional series of DARTS of the Acquiring Fund, then all of the Funds will continue to exist and the respective Board of Trustees of each Fund (each a Board) will consider what additional action, if any, to take.

¡

Each Reorganization is intended to result in no income, gain or loss for federal income tax purposes to the Acquiring Fund, the Acquired Fund or the shareholders of the Acquired Fund.

Rationale for the Reorganization

The Board of your Fund believes that reorganizing your Fund into Premium Dividend Fund II, a fund with similar investment policies, and having a combined portfolio with greater assets offer you potential benefits. These potential benefits and considerations include:

Following the Reorganizations, the substantially larger trading market in common shares of the Acquiring Fund, as compared to that of each Acquired Fund prior to the Reorganizations, may provide for enhanced market liquidity which may reduce the extent of trading discounts that would be experienced in a substantially smaller trading market under otherwise similar circumstances. Trading discounts can result from many different factors and there is no assurance that a larger trading market for common shares will have the effect of reducing trading discounts.

The Reorganization would permit each Acquired Fund s shareholders to pursue similar investment goals in a larger fund. Each Acquired Fund (other than Preferred Dividend Fund) focuses on dividend-paying preferred and common stocks and, in the case of Preferred Dividend Fund, preferred stocks. The greater asset size of the combined fund may allow it, relative to each Acquired Fund, to obtain better net prices on securities trades and achieve greater diversification of portfolio holdings.

Select Dividend Trust, Global Dividend Fund and Preferred Dividend Fund will benefit from a reduction in their administration fee (i.e., from 0.15% to 0.10%). Premium Dividend Fund I s administration fee will remain the same at 0.10%. As a result of the Reorganization, shareholders of the Acquired Funds will experience a reduction in the total amount of fees, as a percentage of average net assets, that they indirectly pay. Shareholders of each Acquired Fund other than Select Dividend Trust will also experience lower combined total expenses and dividend payments on preferred shares as a result of the Reorganizations. Shareholders of Select Dividend Trust will experience somewhat higher combined total expenses and dividend payments on preferred shares as a result of a higher dividend rate on preferred shares borne by common shareholders. This higher historical dividend rate reflects the more recent dividend reset by the Acquiring Fund, which reflects recent increases in short-term interest rates.

The annual effective rate of the combined fund s management fee is expected to be slightly lower than the management fee rate of Select Dividend Trust, Global Dividend Fund and Preferred Dividend Fund and, for Premium Dividend Fund I, the management fee rate is expected to slightly increase.

The Acquiring Fund has performed better than the other Funds for one-, three- and ten-year periods. While past performance cannot predict future results, the Trustees believe there are no reasons why the Acquiring Fund will not continue to generate strong returns.

A combined fund offers economies of scale that may lead to lower per share expenses. Each Fund incurs NYSE listing fees, printing fees, costs for legal, auditing, custodial and administrative services, and miscellaneous fees. Many of these expenses are duplicative and there may be an opportunity to reduce each Acquired Fund s expense ratio over time because of the economies of scale if the Funds are combined.

On the closing date of the Reorganization with respect to each Acquired Fund, the Reorganization will result in the exchange of shares between the Acquiring Fund and each Acquired Fund which will be based on their relative NAVs (i.e., the Acquired Funds will get their NAV s worth of the Acquiring Fund s common shares). However, the Acquiring Fund Common Shares received in the Reorganizations may trade at a market discount from NAV following the Reorganizations so that an Acquired Fund common shareholder is not able to sell these shares for the NAV received.

Therefore, the Board of your Fund recommends that you vote FOR the Reorganization of your Fund into Premium Dividend Fund II. For further information, please see the individual description of the proposal affecting your Fund contained in the Joint Proxy Statement/Prospectus.

Who Bears the Expenses Associated with the Reorganizations

If the Reorganizations are completed, the costs associated with the Reorganizations will be borne by common shareholders of the Acquired Funds and the Acquiring Fund in proportion to and up to the amount of their first year s projected annual expense savings as a result of the Reorganizations. John Hancock Advisers, LLC, the adviser to each of the Funds (the Adviser), will bear the balance of the direct costs of the Reorganizations. In the event a Reorganization is not completed, the costs associated with such Reorganization will be borne by the Acquiring Fund and the remaining Acquired Funds whose shareholders have approved their respective Reorganizations.

Who is Eligible to Vote

Shareholders of record on [February 12], 2007, are entitled to attend and vote at the meeting or any adjourned meeting. Each share is entitled to one vote. Shares represented by properly executed proxies, unless revoked before or at the meeting, will be voted according to shareholders instructions. If you sign a proxy but do not fill in a vote, your shares will be voted for all proposals including those relating to the Reorganization. If any other business comes before the meeting, your shares will be voted at the discretion of the persons named as proxies.

Shares of the Acquiring Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank or other depository institution. These shares are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

Shares of the Acquiring Fund have not been approved or disapproved by the Securities and Exchange Commission (the SEC). The SEC has not passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The common shares of the Acquiring Fund are listed on the New York Stock Exchange (NYSE) under the ticker symbol PDT and will continue to be so listed subsequent to the Reorganizations. The common shares of Premium Dividend Fund I, Select Dividend Trust, Global Dividend Fund and Preferred Dividend Fund are listed on the NYSE under the ticker symbols PDF, DIV, PGD and PPF, respectively. This Reorganization is conditioned upon the Acquiring Fund DARTS receiving a rating of AA from Standard & Poor s Rating Group (S&P) and aa2 from Moody Investors Service, Inc. (Moody s) (each, a Rating Agency). Reports, proxy statements and other information concerning the Funds may be inspected at the offices of the NYSE, 20 Broad Street, New York, New York 10005.

Where to Get More Information

Premium Dividend Fund II s annual report to shareholders dated October 31, 2006	In the same envelope as this Joint Proxy Statement/Prospectus. This report will be incorporated by reference into (and therefore legally part of) this Joint Proxy Statement and Prospectus by pre-effective amendment.
Premium Dividend Fund I s annual report to shareholders dated September 30, 2006	
Select Dividend Trust s annual report to shareholders dated June 30, 2006	
Global Dividend Fund s annual report to shareholders dated July 31, 2006	On file with the SEC or available at no charge by calling our toll free number: 1-800-843-0090. These documents will be incorporated by reference into (and therefore legally part of) this Joint Proxy Statement/Prospectus by pre-effective amendment.
Preferred Dividend Fund s annual report to shareholders dated May 31, 2006	
A Statement of Additional Information dated [February [ ]], 2007, which relates to this Joint Proxy Statement/Prospectus and the Reorganizations, and contains additional information about the Acquired Funds and the Acquiring Fund	
To ask questions about this Joint Proxy Statement/Prospectus	Call our toll-free telephone number: 1-800-843-0090.

The date of this Joint Proxy Statement/Prospectus is [February [ ]], 2007.

TABLE OF CONTENTS

INTRODUCTION

This Joint Proxy Statement/Prospectus is being used by each Fund s Board to solicit proxies to be voted at the annual meeting of each Acquired Fund s shareholders and the Acquiring Fund s shareholders. This meeting will be held at 601 Congress Street, Boston, Massachusetts, on [April [ ]], 2007, at 9:00 a.m., Eastern Time. At the meeting, the Acquired Funds will consider proposals to approve Agreements and Plans of Reorganization providing for the Reorganization of the Acquired Funds into the Acquiring Fund and Acquiring Fund shareholders will consider proposals to approve the issuance of additional common shares and DARTS of the Acquiring Fund. In addition, all shareholders will consider a proposal to elect Trustees to each Fund s Board of Trustees. This Joint Proxy Statement/Prospectus is being mailed to your Fund s shareholders on or about [February 26], 2007.

For each proposal, this Joint Proxy Statement/Prospectus includes information that is specific to that proposal. A comparison summary is provided with respect to each proposal related to the Reorganization. You should read carefully the sections of the proxy statement related specifically to your Fund(s), the information relevant to all proposals, as well as Exhibit A and the enclosed materials, because they contain details that are not in the summary.

Who is Eligible to Vote?

Fund shareholders of record on [February 12], 2007, are entitled to attend and vote at the meeting or any adjourned meeting. Each share is entitled to one vote. Shares represented by properly executed proxies, unless revoked before or at the meeting, will be voted according to shareholders instructions. If you sign a proxy but do not fill in a vote, your shares will be voted for all proposals including those relating to the Reorganization. If any other business comes before the meeting, your shares will be voted at the discretion of the persons named as proxies.

SUMMARY

The following is a summary of certain information contained elsewhere in this Joint Proxy Statement/Prospectus and is qualified in its entirety by reference to the more complete information contained in this Joint Proxy Statement/Prospectus and in the Statement of Additional Information. Shareholders should read the entire Joint Proxy Statement/Prospectus carefully.

PROPOSAL 1(a): ISSUANCE OF ADDITIONAL ACQUIRING FUND COMMON SHARES

In connection with each proposed Reorganization described under Proposal 2: Reorganization of the Acquired Funds, the Acquiring Fund will issue additional Acquiring Fund Common Shares and list such shares on the NYSE. The Acquiring Fund will acquire substantially all of the assets and assume substantially all of the liabilities of each Acquired Fund in exchange for newly-issued Acquiring Fund Common Shares and newly-issued Acquiring Fund DARTS. The Reorganizations will result in no reduction of the net asset value (NAV) of the Acquiring Fund Common Shares. No gain or loss will be recognized by the Acquiring Fund or its shareholders in connection with the Reorganization. The Acquiring Fund s Board, based upon its evaluation of all relevant information, anticipates that each Reorganization will benefit holders of Acquiring Fund Common Shares. In particular, the Acquiring Fund s Board believes, based on data presented by the Adviser, that the Acquiring Fund will experience a reduced annual operating expense ratio as a result of the Reorganizations.

The Acquiring Fund s Board requests that common shareholders of the Acquiring Fund approve the issuance of additional Acquiring Fund Common Shares at the annual meeting to be held on [April [ ]], 2007. Shareholder approval of the issuance of additional Acquiring Fund Common Shares requires the affirmative vote of a majority of the votes cast on the proposal, provided that total votes cast on the proposal represent over 50% in interest of all securities entitled to vote on the matter. Subject to the requisite approval of the shareholders of each Fund with regard to the Reorganizations, it is expected that the closing date of each Acquired Fund will be on the relevant dividend payment date immediately following the shareholders meeting. The closing date of each proposed Reorganization will differ and the additional Acquiring Fund Common Shares will be issued on different closing dates.

The Acquiring Fund s Board recommends that you vote FOR the issuance of additional Acquiring Fund Common Shares in connection with the Reorganizations.

PROPOSAL 1(b): ISSUANCE OF ADDITIONAL ACQUIRING FUND DARTS

In connection with each proposed Reorganization described under Proposal 2: Reorganization of the Acquired Funds, the Acquiring Fund will issue additional series of Acquiring Fund DARTS. The Acquiring Fund will acquire substantially all of the assets and assume substantially all of the liabilities of each Acquired Fund in exchange for newly-issued Acquiring Fund Common Shares and newly-issued Acquiring Fund DARTS. It is not anticipated that the Reorganizations will directly benefit holders of DARTS of the Acquiring Fund; however, the Reorganizations will not adversely affect preferred shareholders and none of the expenses of the Reorganizations will be borne by preferred shareholders of the Acquiring Fund. In addition, no gain or loss will be recognized by the Acquiring Fund or its shareholders in connection with the Reorganization. The Acquiring Fund DARTS will rank PARI PASSU with the liquidation preference of the preferred shares of the Acquired Funds.

The Acquiring Fund s Board requests that holders of DARTS, Series A and DARTS, Series B of the Acquiring Fund approve the issuance of additional series of Acquiring Fund DARTS at the annual meeting to be held on [April [ ]], 2007. Shareholder approval of the issuance of additional series of Acquiring Fund DARTS requires the affirmative vote of at least a majority of the shares of the DARTS then outstanding, voting separately as a class. Subject to the requisite approval of the shareholders of each Fund with regard to the Reorganizations, it is expected that the closing date of each Acquired Fund will be on the relevant dividend payment date immediately following the shareholders meeting. The closing date of each proposed Reorganization will differ, and the additional Acquiring Fund DARTS will be issued on different closing dates. Upon approval of the issuance of additional seri es of preferred shares, the Acquiring Fund s Declaration of Trust and By-Laws will be amended to reflect such series that are created.

The Acquiring Fund s Board recommends that you vote FOR the issuance of additional Acquiring Fund DARTS in connection with the Reorganizations.

PROPOSAL 2: REORGANIZATIONS OF THE ACQUIRED FUNDS

The Proposed Reorganizations. The Board of each Fund, including the Trustees who are not interested persons of each Fund (as defined in the Investment Company Act of 1940, as amended (the 1940 Act), has unanimously approved each Agreement and Plan of Reorganization. If: (i) the shareholders of an Acquired Fund approve their Agreement and Plan of Reorganization; (ii) the common shareholders of the Acquiring Fund approve the issuance of Acquiring Fund Common Shares (see Proposal 1(a): Issuance of Additional Acquiring Fund Common Shares); and (iii) the holders of DARTS, Series A and DARTS, Series B approve the issuance of Acquiring Fund DARTS (see Proposal 1(b): Issuance of Additional Acquiring Fund DARTS), then Acquiring Fund Common Shares and Acquiring Fund DARTS will be issued to the common shareholders and preferred shareholders of each Acquired Fund, respectively, in exchange for substantially all of the assets of the Acquired Fund and the assumption of substantially all of the liabilities of the Acquired Fund. Each Acquired Fund will then terminate its registration under the 1940 Act and dissolve under applicable state law. The aggregate NAV of Acquiring Fund Common Shares received in the Reorganization will equal the aggregate NAV of Acquired Fund common held immediately prior to the Reorganization, less the costs of the Reorganization (though common shareholders may receive cash for their fractional shares). The aggregate liquidation preference of Acquiring Fund DARTS received in the Reorganization will equal the aggregate liquidation preference of Acquired Fund preferred shares held immediately prior to the Reorganization. The auction dates, rate period and dividend payment dates of the Acquiring Fund DARTS received in the Reorganization will be the same as that of the preferred shares held immediately prior to the Reorganization. The ratings expected to be received by the Acquiring Fund DARTS are AA from S&P and aa2 from Moody s.

Summary of Fund Comparisons

Preferred Shares Designations. The preferred shares of the Acquiring Fund, Premium Dividend Fund I and Global Dividend Fund are designated as Dutch Auction Rate Transferable Securities (DARTS); the preferred shares of Select Dividend Trust are designated as Auction Market Preferred Shares (AMPS); and the preferred shares of Preferred Dividend Fund are designated as Auction Rate Preferred Shares (ARPS). Although the preferred shares of Select Dividend Trust and Preferred Dividend Fund differ in name from those of the other Funds, most material aspects of the securities are the same. Only the Acquiring Fund offers two share classes, Series A and Series B. Although each preferred share class is treated individually for the purpose of assessing shareholder rights and dividends, they enjoy the same shareholder rights and divide nd related provisions.

Investment Objectives And Policies. Each Fund is registered as a diversified, closed-end management investment company under the 1940 Act. The investment objective of each Fund is similar. The Acquiring Fund, Premium Dividend Fund I, Select Dividend Trust and Global Dividend Fund each seeks to provide common shareholders with a high level of current income which, in the case of Premium Dividend Fund I, qualifies for the dividends received deduction then allowed to corporations under Section 243(a)(1) of the Internal Revenue Code of 1986, as amended (the Code) (the Dividends Received Deduction), consistent with modest growth of capital. Preferred Dividend Fund seeks to provide common shareholders with a high level of current income, consistent with preservation of capital. Each Fund invests at least 80% of its assets in dividend-paying securities (dividend-pa ying preferred stocks, in the case of Preferred Dividend Fund) and emphasizes investments in securities of companies in the utilities industries, although the minimum percentage of assets dedicated to these types of investments may differ. The quality of ratings of each Fund s portfolio investments stipulates that preferred stocks and debt obligations in which the Fund will invest will be investment grade at least BBB by S&P or Baa by Moody s at the time of investment or will be preferred stocks of issuers of investment grade senior debt, some of which may have speculative characteristics, or, if not rated, will be of comparable quality as determined by the Adviser. Each Fund will invest in common stocks of issuers whose senior debt is rated investment grade or, in the case of issuers that have no rated senior debt outstanding, whose senior debt is considered by the Adviser to be of comparable quality.

Although the investment objective of each Fund is similar, their investment policies and risks are different, particularly with respect to the Global Dividend Fund and Preferred Dividend Fund. Under normal market conditions, Global Dividend Fund invests at least 65% of its total assets in securities of issuers located in three or more countries, including the United States, with no more than 25% of the Fund s total assets in securities of issuers located in any single country other than the United States. Although the Acquiring Fund is not restricted from investing in foreign securities, the Acquiring Fund will likely not concentrate its investments in foreign issuers. In addition, whereas the Acquiring Fund invests at least 80% of its net assets in dividend paying preferred and common stocks, Preferred Dividend Fund invests at least 80% of its assets in dividend paying preferred securities. &nb sp;Finally, whereas the Acquiring Fund, Premium Dividend Fund I and Select Dividend Fund normally invest more than 65% of their total assets in securities of companies in the utilities industry, Global Dividend Fund invests at least 25% of its total assets in such securities and also invests a portion of its assets (although less than 25% of its total assets) in securities issued by companies in the banking industry. Preferred Dividend Fund emphasizes investments in preferred stocks issued by corporations in the financial services and utilities sectors, as well as other regulated industries, but does not invest more than 25% of the value of its total assets in the securities of issuers primarily engaged in these or any other industries.

Each of the Acquiring Fund, Premium Dividend Fund I and Select Dividend Trust operates so that dividends paid qualify in their entirety for the Dividends Received Deduction and each Fund does not intend to realize any net capital gains, but there can be no assurance that this result will be achieved. Preferred Dividend Fund is managed with a view to maximizing the portion of the Fund s distributions to holders of the preferred shares that, under normal market conditions, qualify for the Dividends Received Deduction. Under normal market conditions, Global Dividend Fund anticipates that at least 50% of the dividends paid to holders of the preferred shares as a class qualify for the Dividends Received Deduction. The Funds are managed by the same investment advisory personnel.

Purchase and Sale. Purchase and sale procedures for the common shares and preferred shares of each Fund are identical. Investors typically purchase and sell common shares of the Funds through a registered broker-dealer on the NYSE, or may purchase or sell common shares through privately negotiated transactions with existing shareholders. Each Fund s series of preferred shares are purchased and sold at separate auctions conducted on a regular basis (unless a Fund elects, subject to certain conditions, to declare a special dividend period). Unless otherwise permitted by the Funds, existing and potential holders of preferred shares only may participate in auctions through their broker-dealers. Broker-dealers may maintain a secondary trading market in the preferred shares outside of auctions; however, historically they have not done so and are not expected to do so in the future. The broker-dealers have no obligation to make a secondary market in the preferred shares outside of the auction and there can be no assurance that a secondary market for the preferred shares will develop or, if it does develop, that it will provide holders with liquidity of investment.

Redemption Procedures. Redemption procedures for the Acquired Funds and Acquiring Fund are also similar. The common shares of each Fund have no redemption rights. However, the Board of each Fund may consider open market share repurchases of, or tendering for, common shares to seek to reduce or eliminate any discount in the market place of the common shares from the NAV thereof. Each Fund s ability to repurchase, or tender for, its common shares may be limited by the 1940 Act asset coverage requirements and by any Rating Agency rating the preferred shares.

Provided certain conditions are met, the preferred shares are redeemable at the option of each Fund, as a whole or in part, on any dividend payment date with respect to Global Dividend Fund, Select Dividend Trust and Preferred Dividend Fund, and on the second business day preceding any dividend payment date with respect to the Acquiring Fund and Premium Dividend Fund I, at a price equal to $100,000 per share plus, in each case, accumulated and unpaid dividends (including additional dividends, if any) to the redemption date. The ARPS of Preferred Dividend Fund may not be optionally redeemed in part if, after such partial redemption, fewer than 30 ARPS remain outstanding. The DARTS of Global Dividend Fund may not be optionally redeemed in part if, after such partial redemption fewer than 30 DARTS remain outstanding. No other Funds have any provision for the minimum number of preferred shares outstandin g to allow the Fund to optionally redeem its shares. Each Fund (other than Preferred Dividend Fund) provides that optional redemptions may occur with not fewer than 30 nor more than 45 days notice. Preferred Dividend Fund provides that optional redemptions may occur with no fewer than 25 nor more than 30 days notice.

The preferred shares are subject to mandatory redemption if either the 1940 Act asset coverage requirements or the asset coverage requirements that may be imposed by a Rating Agency in connection with any rating of the preferred shares are not met as of an applicable cure date, in part to the extent necessary to restore such asset coverage or, if such asset coverage cannot be so restored, as a whole. In each case, the redemption price will be $100,000 per share plus accumulated and unpaid dividends (including additional dividends, if any) to the redemption date.

Dividends Received Deduction. Under current law, dividends paid by a Fund will be taxable as ordinary income and will be eligible for the Dividends Received Deduction to the extent that they are designated by a Fund as qualifying for such deduction. Each of Premium Dividend Fund I, Premium Dividend Fund II and Select Dividend Trust intends to operate so that dividends paid will qualify in their entirety for the Dividends Received Deduction and each Fund does not intend to realize any net capital gains, but there can be no assurance that this result will be achieved. Preferred Dividend Fund will be managed with a view to maximizing the portion of the Fund s distributions to holders of the preferred shares that, under normal market conditions, will qualify for the Dividends Received Deduction. Under normal market conditions, Global Dividend Fund anticipates that at least 50% of the di vidends paid to holders of the preferred shares as a class will qualify for the Dividends Received Deduction.

Under Rev. Rul. 89-81, 1989-1 C.B. 226, distributions on the preferred shares and the common shares are required to consist proportionately of each type of income with particular tax characteristics earned by a Fund. Thus, if for a given taxable year, a particular percentage of the total net income of a Fund qualifies for the Dividends Received Deduction, then a uniform percentage of the distributions on the preferred shares and on the common shares of each

Fund other than Premium Dividends Fund I will qualify for such deductions. As a Fund established prior to the issuance of Rev. Rul 89-81, Premium Dividends Fund I is not subject to the proportionality requirement of the ruling. Instead, in the case of Premium Dividend Fund I, if the dividends received by the Fund that qualify for the Dividends Received Deduction (qualified dividends) are less than its net income, exclusive of net capit al gains, then the Fund will allocate the qualified dividends first to the preferred shares and then to the common shares, *provided* that Premium Dividend Fund I receives an opinion of counsel that such a preferential allocation is permitted under applicable law. If such an opinion is not received by Premium Dividend Fund I, then the Fund will allocate the qualifying dividends ratably among the common shares and the preferred shares, most likely ratably in proportion to the dividends paid on shares of each. In the event that qualified dividends are allocated ratably between the preferred shares and the common shares of a Fund, some portion of the dividends payable on the preferred shares might not qualify for the Dividends Received Deduction. In such event, the Fund would pay additional dividends to maintain the Net After-Tax Return of holders of preferred shares. Payment of any such additional dividends on the preferred shares will reduce the amount available for payment of div idends on the common shares.

Background And Reasons For The Proposed Reorganizations. The Reorganizations seek to combine five similar Funds to achieve certain economies of scale and other operational efficiencies. The proposed Reorganizations will combine the assets of these similar Funds by reorganizing the Acquired Funds into the Acquiring Fund. The Board of each Acquired Fund, based upon its evaluation of all relevant information, anticipates that the common shareholders of each Acquired Fund will benefit from their Fund s respective Reorganization. The Board of the Acquiring Fund, based upon its evaluation of all relevant information, anticipates that each Reorganization will benefit holders of Acquiring Fund Common Shares. Each Board believes, based on data presented by the Adviser, that common shareholders of each Fund will experience a reduced annual operating expense ratio as a result of t heir Fund s respective Reorganization. The combined fund resulting from the Reorganizations will have a larger asset base than any of the Funds has currently; certain fixed administrative costs, such as costs of printing shareholder reports, legal expenses, audit fees, mailing costs and other expenses, will be spread across this larger asset base, thereby lowering the expense ratio for common shareholders of the combined fund.

Further Information Regarding The Reorganizations. Each Acquired Fund s Board has determined that each Reorganization is in the best interests of common shareholders of the respective Acquired Fund and that the interests of such shareholders will not be diluted as a result of their Fund s Reorganization. Similarly, the Acquiring Fund s Board has determined that each Reorganization is in the best interests of common shareholders of the Acquiring Fund and that the interests of such shareholders will not be diluted as a result of any Reorganization. It is not anticipated that the Reorganizations will directly benefit preferred shareholders of any of the Funds; however, the Reorganizations will not materially adversely affect preferred shareholders of any of the Funds and none of the expenses of the Reorganizations will be borne by preferred shareholders of the Acquiring Fund .. As a result of the Reorganizations, however, shareholders of each Fund will hold a reduced percentage of ownership in the larger combined fund than they did in any of the separate Funds.

Each Reorganization is intended to qualify as a reorganization within the meaning of Section 368(a)(1) of the Code. If the Reorganizations so qualify, in general, shareholders of the Acquired Funds will recognize no gain or loss upon the receipt of shares of the Acquiring Fund in connection with the Reorganizations. Additionally, the Acquired Funds will recognize no gain or loss as a result of the transfer of all their assets and liabilities in exchange for shares of the Acquiring Fund or as a result of their dissolution. Neither the Acquiring Fund nor its shareholders will recognize any gain or loss in connection with the Reorganizations.

The Board of each Acquired Fund requests that shareholders of each Acquired Fund approve their Fund s proposed Reorganization at the meeting to be held on [April [ ]], 2007. Shareholder approval of each Reorganization requires, with respect to each Acquired Fund, the vote of the holders of at least a majority of the preferred shares then outstanding and the holders of at least a majority of the common shares then outstanding, each voting as a separate class. Subject to the requisite approval of the shareholders of each Fund with regard to the Reorganizations, it is expected that the closing date of each Acquired Fund will be on the relevant dividend payment date immediately following the shareholders meeting. The closing date of each proposed Reorganization will differ and the additional Acquiring Fund Common Shares and Acquiring Fund DARTS will be issued on different closing dates.< /P>

The Board of each Acquired Fund recommends that you vote FOR your Fund s proposed Reorganization.

PROPOSAL 3: ELECTION OF TRUSTEES

Each Fund s Board of Trustees consists of nine members. Holders of each Fund s common shares are entitled to elect seven Trustees and holders of each Fund s preferred shares are entitled to elect two Trustees. Each Board of Trustees is divided into three staggered term classes containing three Trustees. The term of one class expires each year and no term continues for more than three years after the applicable election. Each class of Trustees will stand for election at the conclusion of its respective three-year term.

For each Fund, Messrs. Pruchansky and Boyle are the current nominees for election by the common shareholders and Ms. McGill Peterson is the current nominee for election by the preferred shareholders. As of the date of this proxy, each nominee for election currently serves as Trustee of each Fund.

RISK FACTORS AND SPECIAL CONSIDERATIONS

Because each Fund, under normal market conditions, invests a substantial amount of its assets in dividend-paying securities, any risks inherent in such investments are equally applicable to each Fund and will apply to the Acquiring Fund after the Reorganizations. Risks that are unique to a particular Fund are indicated as such below. The Reorganizations themselves are not expected to adversely affect the right of shareholders of any of the Funds or to create additional risks.

MARKET DISCOUNT RISK

Shares of closed-end funds frequently trade at prices lower than their NAV. This is commonly referred to as trading at a discount. This characteristic of shares of closed-end funds is a risk separate and distinct from the risk that a Fund s NAV may decrease. Investors who sell their shares within a relatively short period after completion of the public offering are likely to be exposed to this risk. Accordingly, each Fund is designed primarily for long-term investors and should not be considered a vehicle for trading purposes.

EQUITY RISK