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If you have sold or transferred all of your holding of Shares, please forward this document and the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through or by whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Winterflood Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority in the conduct of investment business, is acting for the Company in connection with the Proposals and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Winterflood Securities Limited nor for providing advice in relation to the Proposals.

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## **HENDERSON PRIVATE EQUITY INVESTMENT TRUST PLC**

*(a public limited company incorporated under the laws of England and Wales  
with registered number 159836)*

### **Proposed modification of investment objective and policy and amendment to the Investment Management Agreement**

**and**

### **Notice of General Meeting**

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**Your attention is drawn to the letter from the Chairman, which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below. However, this document should be read in its entirety.**

Notice of a General Meeting of the Company to be held at 3.30 p.m. on 27 September 2010 is set out at the end of this document. Shareholders are requested to complete and return their Form of Proxy as soon as possible. To be valid, Forms of Proxy for use at the General Meeting must be completed and returned in accordance with the instructions printed thereon to Capita Registrars at PXS, 34 Beckenham Road, Beckenham BR3 4TU so as to arrive no later than 3.30 p.m. on 25 September 2010.

## PART 1

### LETTER FROM THE CHAIRMAN

#### **HENDERSON PRIVATE EQUITY INVESTMENT TRUST PLC**

*(a public limited company incorporated under the laws of England and Wales*

*with registered number 159836)*

*Directors*

John Mackie CBE (Chairman)  
Terry Connor  
Barry Dean  
Ian Orrock

*Registered Office*

201 Bishopsgate  
London  
EC2M 3AE

2 September 2010

Dear Shareholder

#### **Proposed modification of investment objective and policy and amendment to the Investment Management Agreement**

##### ***1 Introduction***

I am writing to you with details of proposals:

- to modify the investment objective and policy of the Company with a view to realising the Company's assets in an orderly manner that achieves a balance between returning cash to Shareholders promptly and maximising their value; and
- to amend the terms of the Investment Management Agreement between the Company and the Manager in order to reflect the modification of the Company's investment objective and policy and to better align the interests of Shareholders and the Manager.

Subject to Shareholder approval of the Proposals, the Board will seek to return cash to Shareholders over time and this document sets out further details on how the Board currently intends to do this.

The purpose of this document is to set out the background to and reasons for the Proposals and why the Board unanimously recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

Shareholder approval is being sought at the General Meeting, in accordance with the Listing Rules, for (i) the proposed amendment to the Company's investment policy as the Company is making a material modification to its investment policy; and (ii) the proposed amendment to the Investment Management Agreement as the transaction constitutes a related party transaction for the purposes of the Listing Rules.

The Resolutions will be proposed at a General Meeting to be held at 3.30 p.m. on 27 September 2010, notice of which is set out at the end of this document.

## **2      *Background to the Proposals***

The Board and the Manager believe that now is the right time to change the Company's strategy. The Company's share price continues to trade at a significant discount to NAV per Share, a situation that, despite the efforts of the Board and the Manager, appears unlikely to change in the short to medium term.

The Company was formerly known as the August Equity Trust plc, and operated as a small private equity investment trust. In July 2007, August Equity Trust plc combined with a similar vehicle, Rutland Trust plc. The enlarged entity was renamed New Star Private Equity Investment Trust plc, adopted a fund of funds investment approach, and was placed under New Star Asset Management Group plc's portfolio management. Following the Henderson group's takeover of New Star Asset Management Group plc in April 2009, the portfolio management of the Company was transferred to the Henderson group's existing private equity fund of funds business, with effect from 1 May 2009.

Since 1 May 2009, the Manager has worked with the Board to identify ways of increasing the size of the Company in order to create a more liquid vehicle with sufficient scale to attract more and larger investors and also in order to give greater scope for increasing portfolio diversification. Whilst the Company's share price has significantly improved since the Manager took over the portfolio management role on 1 May 2009 (97.5p at 1 May 2009 to 129.5p at 25 August 2010 (being the day before the announcement of the Proposals) equating to an increase of approximately 32.8 per cent.), given the discount to NAV per Share which has prevailed during this period (the average discount to NAV per Share from 1 May 2009 to 25 August 2010 was 56.3 per cent.), the fund-raising or corporate solutions which were considered were either unfeasible or were economically unattractive.

Having explored various fund-raising opportunities and corporate initiatives, whilst at the same time seeking to raise the Company's profile with existing and potential Shareholders, the Board and the Manager have now concluded that it is in the best interests of Shareholders to undertake an orderly realisation of assets, ultimately leading to the voluntary liquidation of the Company.

A significant achievement of the Manager since 1 May 2009 has been to improve the liquidity position of the Company by negotiating the extension of banking facilities with Lloyds Banking Group through to 1 May 2012. This has meant that the Company did not have to sell some of its limited partnership investments to obtain liquidity, when such sales would have been at the large discounts prevailing in the secondary markets last year.

Lloyds Banking Group has confirmed its full support for the Proposals. The existing £30 million of senior secured committed facilities will remain in place, if necessary, through to 1 May 2012, but it is anticipated that, given the priority claim of the banking facilities, repayment and cancellation of the facilities will occur prior to any cash distributions to Shareholders (with the exception of any dividends required for the Company to maintain its investment trust status).

### 3 *The Proposals*

#### 3.1 *Amendment to the investment objective and policy of the Company*

The Board and the Manager believe that a carefully managed process of divesting limited partnership and other private equity assets will return better value to Shareholders than any other option. The Company is able to do this against the back-drop of a liquidity position strengthened by the extended availability of its committed bank facilities.

##### *Existing investment objective and policy*

The Company's current investment objective is to produce capital gains through a diversified portfolio of private equity investments.

The Company seeks to achieve its investment objective through a policy of investing principally in limited partnership interests and listed vehicles exposed to private equity investments or other similar strategies. The main focus of these investments is mid-market buy-out funds in the UK and Europe.

Subject to the Company's internal investment limits and restrictions, where it is deemed appropriate and beneficial to do so, the Company may also invest in cash, quoted companies, fixed income securities, debt instruments and other alternative asset funds.

The Company intends to reduce the "cash-drag" effect by investing its uncommitted assets and committed but undrawn assets in listed private equity funds to gain investment exposure to private equity and by employing a policy of over commitment. This means that the Company may commit more than its available uncommitted assets to limited partnerships on the basis that such commitments can be managed by anticipating future cash flows to the Company and through the use of borrowings where necessary.

It is expected that the portfolio will be fully invested in most market conditions although the Company may maintain large cash weightings from time to time to manage its over commitments policy, to protect capital returns or pending identification of appropriate investment opportunities. The Company may enter into derivative transactions for the purpose of efficient portfolio management hedging (for example, interest rate, currency, or market exposure).

The Company will not invest more than 15 per cent. of its investment portfolio in any single investment on acquisition; nor will it invest more than 15 per cent. of its investment portfolio in any other UK listed investment trusts or investment companies.

The Board has established guidelines with a view to spreading investment risk. The principal guidelines are:

- non pan-European investments shall represent a maximum of 25 per cent. of total investments;
- the total value of investments in listed private equity vehicles should not exceed 50 per cent. of total investments;
- the total value of direct investments will not exceed 25 per cent. of total investments;

- cash should not exceed 30 per cent. of total investments; and
- the Company may utilise gearing for either short term funding or long term investment purposes and gearing shall not exceed 30 per cent. of its total investments at the point of drawdown.

*Revised investment objective*

The Board is proposing that the investment objective be restated as follows:

"To conduct an orderly realisation of the assets of the Company, to be effected in a manner that seeks to achieve a balance between returning cash to Shareholders promptly and maximising their value."

*Revised investment policy*

The Board and the Manager believe that the Company's portfolio will require careful investment management in order to achieve the Company's proposed new investment objective.

If Resolution 1 to be proposed at the General Meeting is passed, the Company's entire existing investment policy will be replaced and the Company will adopt and adhere to the following amended and restated investment policy, which will be published each year in the Company's annual report and accounts in accordance with the Listing Rules (commencing with the annual report and accounts for the year ending 31 December 2010).

"The Company's investments will be realised in an orderly manner (that is, with a view to achieving a balance between returning cash to Shareholders promptly and maximising their value).

The Company may not make any new investments save that (a) investment may be made to honour commitments to funds under existing contractual arrangements; (b) further investment may be made into the Company's sole direct investment, Logic Group Holdings Limited, in order to preserve the value of such investment; and (c) realised cash may be invested in liquid cash-equivalent securities, including short-dated corporate bonds, government bonds, cash funds, or bank cash deposits pending its return to Shareholders in accordance with the Company's investment objective.

No more than 10 per cent. of total assets may be invested in any single cash equivalent instrument or placed on deposit with any single institution except that this limit does not apply to investment in government bonds, which shall be unconstrained.

The use of gearing shall be limited to the investment of up to £30 million of borrowed funds. Save for the payment of dividends to retain investment trust status, no return of cash shall be made to Shareholders until any such borrowings are repaid in full.

The Company will continue to comply with the restrictions imposed by the Listing Rules in force from time to time."

Any material change to the revised investment policy would require Shareholder approval in accordance with the Listing Rules.

This policy will involve a continuing evaluation of the portfolio in order to assess the most appropriate realisation strategy to be pursued in relation to each investment. Whilst some investments may be considered appropriate for sale in the shorter term, other investments may be held for a longer period with a view to enabling their inherent value to be realised successfully.

The strategy for realising individual investments will be flexible and may need to be altered to reflect changes in the circumstances of a particular investment or in the prevailing market conditions. The Manager will, in relation to each unlisted investment, seek to create competition amongst a range of interested parties. These are most likely to be other private equity specialists.

The net cash proceeds from realisations of investments, after settlement of and provision for liabilities of the Company, will be applied to the repayment of the Company's outstanding bank borrowings (if any) prior to making payments to Shareholders.

The Board will meet regularly to review progress in implementing the Company's new investment objective and policy and the then current position of unrealised holdings.

The Board and the Manager regard the orderly realisation of the Company's assets as the best strategic option at the present time. Should, however, Shareholders reject the proposed change, the Board and the Manager will continue to deliver the existing investment strategy and work to identify other options for developing the Company.

Being overly prescriptive on the timeframe could prove detrimental to the competitive realisation process. Sensitive, however, to the on-going costs of running the portfolio, the Manager aims to realise the portfolio and return cash proceeds as quickly as possible. By way of indication, however, the Board and the Manager believe that the portfolio may take in the region of two years or more to be fully realised.

### *3.2 Amendments to the Investment Management Agreement*

The Manager will be managing the orderly realisation process over time by seeking appropriate values for the underlying limited partnership interests and all other assets. The key to this process will be the identification of the largest number of potential buyers, the creation of competitive tension and the choice of market timing to execute sales.

The Board believes that the continued appointment of the Manager is important to achieving these aims and the Board has agreed, subject to Shareholder approval, to restructure the Manager's management and performance fee arrangements in light of the proposed change in strategy to align the interests of the Company and the Manager throughout the orderly realisation process. The current fee arrangements are not designed to accommodate the management of an orderly realisation process.

### *Management fee*

The current management fee is 1.25 per cent. per annum on private equity limited partnership assets and direct investments and 0.75 per cent. per annum on other assets. This is paid quarterly in arrears.

It should be noted that the management fee for the month of August 2010 was £74,945. Without the adoption of the realisation strategy, the Manager expects the monthly management fee to average at least £75,000 through to the end of 2011 given the expected profile of drawdowns under, and distributions from, the Company's limited partnership commitments.

The Manager has entered into a side letter to the Investment Management Agreement dated 2 September 2010 (the "**Side Letter**"), conditional upon the passing of Resolution 2 to be proposed at the General Meeting, pursuant to which the Manager will cease to be paid the current management fee and will instead be paid a fixed monthly fee of £70,000 per month for six months from the date of the General Meeting reducing to £50,000 per month for the following eighteen months. Resolution 2 is itself conditional on the passing of Resolution 1. Investment management and performance fees payable by investment trusts are exempt from VAT.

The fixed monthly management fee would be reviewed by the Board and the Manager after twelve months from the date of the General Meeting (or earlier in the event of a significant asset realisation programme) and, if appropriate, amended taking into account the Manager's workload and the continuing alignment of interests at that time.

If the realisation was still on-going after twenty-four months, the fixed monthly fee would be reviewed again by the Board and the Manager and, if appropriate, amended taking into account the Manager's workload and the continuing alignment of interests at that time. The fixed monthly fee would be renegotiated on the appointment of liquidators to the Company.

In certain circumstances, for example the rapid realisation of limited partnership interests, the investment management fee under the new arrangements could result in higher fees than would be payable if the Company adopted the new investment policy without making the proposed change to the management fees. Within the terms of the new management fee arrangements, however, it is agreed by both the Board and the Manager that should such a situation occur the fixed monthly fee proposed under the new arrangements may be amended taking into account the Manager's remaining workload and the continuing alignment of interests.

### *Performance fee*

The current performance fee is 10 per cent. of any NAV uplift above an 8 per cent. hurdle in any calendar year. The high watermark for calculation of the performance fee is currently at a NAV per Share of 377.6p compared with the latest NAV per Share of 293.0p as at 31 August 2010. Regardless of the high watermark constraint, the current performance fee structure is not appropriate as an incentive for the execution of a realisation strategy.

Under the terms of the Side Letter, the performance fee component of the Manager's fees would be amended as follows:

- The hurdle for the achievement of any performance fee would be a cash amount which must be returned to Shareholders before a performance fee can be earned (the "**Cash Hurdle**").
- The Cash Hurdle would be set at a level which incentivises the Manager to out-perform other insufficiently attractive realisation options recently considered (but rejected) by the Board plus a notional accrual (the "**Accrual**"), which would reflect the time value of the money between the date of the General Meeting and actual returns of cash in excess of the Cash Hurdle.
- The Manager would be entitled to 10 per cent. of any amounts available to be returned to Shareholders in excess of the Cash Hurdle (including the Accrual). The Company and the Manager have agreed that the opening Cash Hurdle will be £41,470,466 (equivalent to 220 pence per Share) and the Accrual will be 8 per cent. per annum (compound) calculated on the opening Cash Hurdle.
- The performance fee would be capped at £2,852,900 (equivalent to 5 per cent. of the NAV as at 31 December 2009). Based on the opening Cash Hurdle, in order for the Manager to receive the maximum performance fee payable under the cap, a total payment to Shareholders of approximately £70,000,000 (371 pence per Share) or more would be required.

#### *Related party transaction*

Under the Listing Rules, the Manager is deemed a related party of the Company in relation to the amendments to the Investment Management Agreement. Accordingly, the amendments to the Investment Management Agreement require the approval of the Independent Shareholders.

The Manager has undertaken not to vote, and to take all reasonable steps to ensure that its associates do not vote, on Resolution 2 to be proposed at the General Meeting. As at 31 August 2010, the latest practicable date to this document, Henderson Funds, being "associates" (as defined in the Listing Rules) of the Manager, held approximately 39 per cent of the Shares.

#### **4** *Return of Capital*

The Board intends to consider with its advisers mechanisms for returning capital to Shareholders during the realisation period. Amounts realised would be available for return after the repayment and cancellation of the Company's bank facilities. The Company intends to maintain its investment trust status during this managed realisation process prior to liquidation.

The Board will write to Shareholders again in due course with details of its proposals to return capital to Shareholders. The Board may consider a tender offer and/or other capital

return schemes as the portfolio is realised and will seek to adopt the most efficient method of returning capital to Shareholders.

Depending on the rate and amount of realisation the Board will also consider proposing that the Company enter into voluntary liquidation.

## **5 *Benefits of the Proposals***

The Board believes that the Proposals offer the following significant benefits to Shareholders:

- Commencing a managed realisation of assets, rather than placing it in liquidation immediately or seeking an immediate sale of the portfolio, should enable the Company to increase the value realised on the sale of its investments.
- Since the Company will remain listed throughout the realisation process, Shareholders and prospective investors will, subject to market conditions, be able to buy and sell the Company's Shares.
- On the assumption that the first significant asset realisations could realistically take up to twelve months to negotiate and execute, the Company's management fees would be reduced by approximately £180,000 in the first year compared with the existing management fee arrangements.
- The Manager would be fully incentivised through the new performance fee arrangements to maximise realisation proceeds throughout the entire disposal process (consistent with a prompt return of cash to Shareholders) and would thereby be aligned with the interests of Shareholders. Management fees alone could not achieve this degree of alignment.
- The Manager would earn a performance fee only if the cash returned to Shareholders exceeded (by an appropriate hurdle to reflect time value) what the Board believes could have been returned under other insufficiently attractive realisation options recently considered (but rejected) by the Board.

## **6 *Risk factors***

As a result of the Proposals, Shareholders should be aware of the following risk factors:

- There is no guarantee that the change to the Company's investment objective and policy will provide the returns or realise the capital sought by Shareholders. There can be no guarantee that the Company will achieve its new investment objective.
- Private equity assets are inherently subjective in value due to the individual nature of each investment. As a result, valuations are subject to uncertainty. There is no assurance that the valuations of the investments held by the Company reflect the realisable values of such investments.
- Investments in private equity limited partnerships are relatively illiquid and generally more difficult to realise than listed equities or bonds.

- As a result of the portfolio realisation, the number of investments held by the Company will reduce over time and, as a consequence, the aggregate return on the remaining portfolio will become increasingly exposed to the performance, favourable or unfavourable, of the remaining individual investments.
- The proposed change of investment strategy would result in the Company becoming reliant on the Manager's ability to dispose of investments in order to realise capital for Shareholders.
- The Company's level of gearing may increase as a result, inter alia, of further draw downs to honour commitments to funds under existing contractual arrangements, revaluations of the portfolio or realisation of assets at less than their carrying value. An increased level of gearing would increase Shareholders' exposure to realisation values. Save for the payment of dividends to retain investment trust status, no return of cash shall be made to Shareholders until all borrowings are repaid in full and the facilities are cancelled.
- In certain circumstances, for example the rapid realisation of limited partnership interests, the investment management fee under the new arrangements could result in higher fees than would be payable if the Company adopted the new investment policy without making the proposed change to the management fees.

## **7**      ***General Meeting***

The Proposals are subject to Shareholder approval. A notice convening a General Meeting of the Company, which is to be held at 3.30 p.m. on 27 September 2010, is set out at the end of this document. At this General Meeting, separate ordinary resolutions will be proposed (i) to sanction the change in investment objective and policy and (ii) to approve the amendments to the Investment Management Agreement.

Resolution 1 to be proposed at the General Meeting requires a majority of those Shareholders voting to vote in favour in order to be passed. Resolution 2 is conditional on Resolution 1 and requires a majority of the Independent Shareholders voting to vote in favour in order to be passed.

### *Action to be taken*

Whether or not you intend to be present at the General Meeting, Shareholders are requested to complete and return the accompanying Form of Proxy in accordance with the instructions printed thereon, so as to be received as soon as possible, and in any event no later than 3.30 p.m. on 25 September 2010. The completion and return of the Form of Proxy will not preclude you from attending the meeting and voting in person should you so wish.

## **8**      ***Recommendation***

The Board, which has been advised by Winterflood Securities Limited, considers that the Proposals and the resolutions to be proposed at the General Meeting are in the best interests of the Company and its Shareholders as a whole.

In the opinion of the Board, which has been so advised by Winterflood Securities Limited, the proposed amendments to the Investment Management Agreement are fair and reasonable as far as Shareholders are concerned. In providing its advice to the Board, Winterflood Securities Limited has taken into account the Board's commercial assessment of the Proposals.

**Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.**

The Directors intend to vote in favour, or procure the vote in favour, of the resolutions at the General Meeting in respect of their beneficial holdings of Shares which, in aggregate, amount to 35,717 Shares representing approximately 0.19 per cent. of the Company's issued Share capital (excluding Shares held in treasury).

Yours faithfully

**John Mackie CBE**  
Chairman

**PART 2**  
**ADDITIONAL INFORMATION**

**1 Share Capital**

As at 31 August 2010 (being the latest practicable date prior to the publication of this document), the issued share capital of the Company was as follows:

	<i>Number</i>	<i>£</i>
Shares	19,682,212*	984,110
<i>* Including 832,000 Shares held in treasury</i>		

**2 Directors and their interests**

2.1 The names and business address of the Directors are:

John Mackie CBE (Chairman)  
Terry Connor  
Barry Dean  
Ian Orrock

all of 201 Bishopsgate, London EC2M 3AE.

2.2 As at 31 August 2010 (being the latest practicable date prior to publication of this document), the interests of the Directors and their connected persons in the issued share capital of the Company, were as follows:

	<i>Number of Shares</i>	<i>Percentage of issued Share capital *</i>
John Mackie	24,500	0.13
Terry Connor	2,000	0.01
Barry Dean	4,000	0.02
Ian Orrock	5,217	0.03

*\* Excluding 832,000 Shares held in treasury*

**3 Substantial and other Share interests**

As at the close of business on 31 August 2010 (being the latest practicable date prior to publication of this document), insofar as is known to the Company, the following persons (other than the Directors) were directly or indirectly interested in three per cent. (or, in the case of investment firms, five per cent.) or more of its issued Share capital:

	<i>Number of Shares</i>	<i>Percentage of issued Share capital *</i>
Henderson Global Investors	7,339,503	38.94
East Riding Pension Fund	1,225,000	6.50
Oxfordshire County Council Pension Fund	1,200,000	6.37
Brompton Asset Management Limited	1,105,329	5.86

*\* Excluding 832,000 Shares held in treasury*

## 4 Material Contracts

### 4.1 *Investment Management Agreement*

Under an investment management agreement dated 27 January 2010 between the Company and the Manager (the "**Management Agreement**"), the Manager was appointed, with effect from 1 February 2010, as the Company's investment manager and the Manager also agreed to provide company secretarial and administrative services to the Company.

The Management Agreement is terminable by either the Company or the Manager on twelve months' written notice to the other, such notice to expire on the last day of a calendar month. The Management Agreement may also be terminated forthwith on the occurrence of certain events, including a material breach of the agreement (which, if such breach is capable of remedy, is not made good within 30 days) or the insolvency of the other party. In the event that the Company comes under the control (within the meaning of section 840 of the Income and Corporation Taxes Act 1988) of any person or group of persons acting in concert (within the meaning ascribed to that expression in the City Code of Takeovers & Mergers) the Manager shall be entitled to terminate the agreement immediately.

Under the Management Agreement the Manager is entitled to a basic management fee, payable quarterly in arrears, of 1.25 per cent. per annum of the gross value of the Company's private equity assets and 0.75 per cent. of the gross value of the other assets of the Company (excluding any assets invested in funds also managed by the Manager or its group). In addition, the Manager is entitled to a performance fee of 10 per cent. of any NAV uplift above an 8 per cent. hurdle in any calendar year. The Manager is also entitled to an annual fee of £45,000 in relation to administrative and accounting services payable quarterly in arrears. All fees are exclusive of VAT.

The Management Agreement contains provisions indemnifying the Manager against all actions, proceedings, liabilities and claims which it may incur or suffer arising out of, inter alia, any action properly taken by it in accordance with the Management Agreement, except as may result from the negligence, wilful default, fraud or failure to comply with any obligations under the agreement on the part of the Manager.

### 4.2 *Side letter to the Investment Management Agreement*

Under the terms of a side letter dated 2 September 2010 to the Investment Management Agreement between the Company and the Manager, conditional on the passing of Resolution 2 at the General Meeting, the Company and the Manager agreed to amend the management and performance fee structure payable to the Manager as follows:

- (i) the Manager will be paid a fixed monthly fee of £70,000 per month for six months reducing to £50,000 per month for the following eighteen months;
- (ii) the hurdle for the achievement of any performance fee would be a cash amount which must be returned to Shareholders before a performance fee can be earned (the "**Cash Hurdle**") plus 8 per cent. per annum (compound) calculated on the Cash Hurdle (the "**Accrual**"). The opening Cash Hurdle will be £41,470,466 and the Manager would be entitled to 10 per cent. of any amounts available to be returned to Shareholders in excess of the Cash Hurdle;

- (iii) the aggregate performance fee payable to the Manager would be capped at £2,852,900; and
- (iv) the Manager will continue to receive an annual fee of £45,000 in relation to administrative and accounting services.

All investment management and performance fees are exempt from VAT.

## **5 General**

- 5.1 Winterflood Securities Limited has given and not withdrawn its written consent to the issue of this document with its letter and with the references to its name in the form and context in which they are included.
- 5.2 There has been no significant change in the Company's financial or trading position since 31 December 2009, the date of the latest audited accounts.

## **6 Documents Available For Inspection**

Copies of the following documents will be available for inspection at the Company's registered office at 201 Bishopsgate, London EC2M 3AE and at the offices of Stephenson Harwood, One, St. Paul's Churchyard, London EC4M 8SH during normal business hours on weekdays (Saturdays, Sundays and public holidays excepted) from the date of this document until the General Meeting:

- 6.1 this circular;
- 6.2 the consent letter referred to in paragraph 5.1 above;
- 6.3 the Articles of Association as at the date of this document;
- 6.4 the annual report and accounts of the Company for the year ending 31 December 2009; and
- 6.4 the material contracts described in paragraph 4 above.

2 September 2010

## PART 3

### DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

<b>"Board" or "Directors"</b>	the directors of the Company
<b>"Company"</b>	Henderson Private Equity Investment Trust plc
<b>"Form of Proxy"</b>	the form of proxy for use by Shareholders in connection with the General Meeting
<b>"General Meeting"</b>	the general meeting of the Company to be held on 27 September 2010 at 3.30 p.m. (or any adjournment thereof), notice of which is set out at the end of this document
<b>"Henderson Funds"</b>	Henderson Diversified Absolute Return Fund, Henderson Global Financials Fund, Henderson UK Strategic Capital Unit Trust, Henderson Global Strategic Capital Unit Trust, Cirilium Moderate Fund, Cirilium Dynamic Fund, Cirilium Cautious Fund, Henderson UK Strategic Income Unit Trust and certain private client portfolios managed on a discretionary basis by the Manager or its group
<b>"Independent Shareholders"</b>	Shareholders other than the Manager and its associates
<b>"Investment Management Agreement"</b>	the investment management agreement dated 27 January 2010 between the Company and the Manager
<b>"Listing Rules"</b>	the Listing Rules of the UK Listing Authority
<b>"Manager"</b>	Henderson Global Investments Limited in its capacity as investment manager to the Company
<b>"NAV"</b>	the total value of all of the assets of the Company less its liabilities as determined by the Board and calculated in accordance with the Company's accounting policies
<b>"Proposals"</b>	the proposals for the future of the Company described under the heading "The Proposals" in Part 1 of this document
<b>"Resolutions"</b>	the resolutions to be proposed at the General Meeting
<b>"Shareholders"</b>	holders of Shares
<b>"Shares"</b>	ordinary shares of 5p each in the capital of the Company

**"UK Listing Authority"**

the Financial Services Authority acting in its capacity as the competent authority for listing pursuant to Part VI of Financial Services and Markets Act 2000

# HENDERSON PRIVATE EQUITY INVESTMENT TRUST PLC

(a public limited company incorporated under the laws of England and Wales  
with registered number 159836)

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a **GENERAL MEETING** of the Company will be held at 201 Bishopsgate, London EC2M 3AE on 27 September 2010 at 3.30 p.m. to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTIONS

1. THAT the proposed new investment objective and policy of the Company as described in Part 1 of the circular to Shareholders dated 2 September 2010 of which this notice forms part (the "**Circular**") be adopted as the investment objective and policy of the Company with immediate effect and the existing investment objective and policy be and is hereby replaced.
2. THAT, conditional upon the passing of Resolution 1, the amendments to the Investment Management Agreement described in the Circular be and are hereby approved and the Company be and is authorised to enter into the Side Letter on such terms as the Directors think fit.

Words and expressions defined in the Circular shall, save where the context otherwise requires, have the same meanings in these Resolutions.

*Registered Office*  
201 Bishopsgate  
London  
EC2M 3AE

*By Order of the Board*

#### **Notes**

The Resolutions are proposed as ordinary resolutions, which, to be passed, require more than half of the votes cast to be in favour of the resolution.

#### **1. Voting record date**

Only members registered in the Register of Members of the Company at 6.00 p.m. on 24 September 2010 shall be entitled to attend and vote at the General Meeting in respect of the number of voting rights registered in their name at that time. Changes to entries on the Register of Members after 6.00 p.m. on 24 September 2010 shall be disregarded in determining the rights of any person to attend and vote at the meeting. In the case of joint holders of a voting right, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

#### **2. Rights to attend and vote**

Members are entitled to attend and vote at the forthcoming General Meeting or at any adjournment(s) thereof. On a poll each member has one vote for every one share held.

#### **3. Right to appoint proxies**

Pursuant to Section 324 of the Companies Act 2006, a member entitled to attend and vote at the meeting may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares held by him. A proxy need not be a member of the Company.

A form of proxy is enclosed. The completion of the form of proxy will not preclude a shareholder from attending and voting in person at the meeting.

Section 324 does not apply to persons nominated to receive information rights pursuant to Section 146 of the Companies Act 2006. Persons nominated to receive information rights under Section 146 of the Companies Act

2006 have been sent this notice of meeting and are hereby informed, in accordance with Section 149(2) of the Companies Act 2006, that they may have the right under an agreement with the registered member by whom they are nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have such right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.

#### **4. Proxies' rights to vote at the meeting**

On a vote on a show of hands, each proxy has one vote. If a proxy is appointed by more than one member and all such members have instructed the proxy to vote in the same way, the proxy will only be entitled, on a show of hands, to vote "for" or "against" as applicable. If a proxy is appointed by more than one member, but such members have given different voting instructions, the proxy may, on a show of hands, vote both "for" and "against" in order to reflect the different voting instructions.

On a poll all or any of the voting rights of the member may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, Section 285(4) of the Companies Act 2006 does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

#### **5. Voting by corporate representatives**

Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with Section 323 of the Companies Act 2006.

#### **6. Receipt and termination of proxies**

To be valid the form of proxy must be lodged with the Company's Registrars no later than 48 hours before the time appointed for the meeting (excluding weekends and bank holidays) or any adjournment of the meeting. A member may terminate a proxy's authority at any time before the commencement of the meeting. Termination must be provided in writing and submitted to the Company's Registrars.

In accordance with the Company's articles of association, in determining the time for delivery of proxies, no account shall be taken of any part of a day that is not a working day.

#### **7. Electronic receipt of proxies**

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST manual, which is available to download from the Euroclear website ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the Issuer's agent (ID: RA10) by the latest time for receipt of proxy appointments specified in note 6 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

#### **8. Questions at the General Meeting**

Section 319A of the Companies Act 2006 requires the directors to answer any question raised at the General Meeting which relates to the business of the meeting, although no answer need be given (a) if to do so would interfere unduly with the preparation of the meeting or involve disclosure of confidential information; (b) if the answer has already been given on a website in the form of an answer to a question; or (c) if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

## **9. Website**

By attending the meeting, members and their proxies and representatives are understood by the Company to have agreed to receive any communications relating to the Company's shares made at the meeting. A copy of the notice of the General Meeting, including these explanatory notes, is included on the Company's website, [www.hendersonprivateequity.com](http://www.hendersonprivateequity.com).

## **10. Total voting rights at date of notice**

As at 2 September 2010 (being the last practicable date prior to the publication of this Notice) the total number of votes in the Company is 18,850,212.

## **11. Communication**

Except as provided above, members who have general queries about the General Meeting should use the following means of communication (no other methods of communication will be accepted):

- calling 0800 856 5656 (telephone calls may be recorded or monitored); or
- in writing to the Company Secretary, Henderson Private Equity Investment Trust plc, 201 Bishopsgate, London EC2M 3AE.

You may not use any electronic address provided either:

- in this notice of General Meeting; or
- any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.