

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
If you do not understand it, you should consult your financial adviser immediately.

**SCHEME OF ARRANGEMENT TO MERGE THE HENDERSON MULTI-MANAGER
GROWTH FUND (AN AUTHORISED UNIT TRUST) WITH THE HENDERSON ACTIVE
PORTFOLIO (A SUB-FUND OF THE HENDERSON PORTFOLIO INVESTMENT OEIC)**

This document contains a Notice of Meeting of unitholders of the Henderson Multi-Manager Growth Fund. The meeting will be held at the offices of Henderson Investment Funds Limited, 201 Bishopsgate, London, EC2M 3AE, on 24 May 2010.

You are requested to either complete and return the enclosed Form of Proxy (and the power of attorney (if any) under which it is signed (or a notarially certified copy thereof)) in the reply-paid envelope provided or to complete and submit the Form of Proxy online by following the instructions and using the unique username and password provided in the covering letter received, no later than 72 hours before the time of the meeting.

GLOSSARY OF TERMS USED IN THIS DOCUMENT

"COLL Sourcebook"	The Collective Investment Schemes Sourcebook which forms part of the FSA Handbook of Rules and Guidance, as amended from time to time;
"Depository"	The Royal Bank of Scotland plc, as the depository of the Henderson Active Portfolio;
"Effective Date"	the effective date of the Scheme, which shall be 18 June 2010 or such other date as may be agreed between Henderson, the Trustee and the Depository in accordance with paragraph 13 of the Scheme;
"Effective Time"	the effective time on the Effective Date at which the Scheme will be implemented, being 12.05 a.m. or such other time as may be agreed between Henderson, the Trustee and the Depository in accordance with paragraph 13 of the Scheme;
"FSA"	the Financial Services Authority;
"FSA Rules"	the rules contained in the COLL Sourcebook;
"Funds"	Henderson Multi-Manager Growth Fund and Henderson Active Portfolio;
"Henderson"	Henderson Investment Funds Limited, the manager of the Henderson Multi-Manager Growth Fund and the authorised corporate director ("ACD") of the Henderson Active Portfolio, as the context requires;
"Henderson Active Portfolio"	Henderson Active Portfolio, a sub-fund of the Henderson Portfolio Investment OEIC. Please note that Henderson Active Portfolio will change its name to Henderson Multi-Manager Active Fund and Henderson Portfolio Investment OEIC will change its name to Henderson Multi-Manager Investment OEIC as at 9.00 a.m. on 21 June 2010;
"Henderson Multi-Manager Growth Fund"	Henderson Multi-Manager Growth Fund, an authorised unit trust scheme;
"Instrument of Incorporation"	the current instrument of incorporation of the Henderson Portfolio Investment OEIC of which the Henderson Active Portfolio is a sub-fund;
"New Shares"	Class A accumulation shares in the Henderson Active Portfolio to be issued to Class A income unitholders in the Henderson Multi-Manager Growth Fund pursuant to the scheme of arrangement on the terms set out in the Scheme;
"OEIC Regulations"	The Open-Ended Investment Companies Regulations 2001 (as amended);
"OEIC"	an Open-Ended Investment Company incorporated pursuant to Regulation 3 of the OEIC Regulations;
"Retained Amount"	a retention, which is a sum estimated by Henderson and agreed with the Trustee and the Depository and the auditors to be necessary to meet all the actual and contingent liabilities of the Henderson Multi-

Manager Growth Fund which is to be retained by the Trustee upon the provisions of the Trust Deed and which subject to the provisions of the Trust Deed shall be used for the purposes of discharging such liabilities;

“Scheme”

the scheme of arrangement for the merger of the Henderson Multi-Manager Growth Fund with the Henderson Active Portfolio dated 6 May 2010, as set out in Appendix 1 to this document;

“the Trustee”

The Royal Bank of Scotland plc, the trustee of the Henderson Multi-Manager Growth Fund;

“Trust Deed”

the trust deed including any supplemental trust deeds which govern the Henderson Multi-Manager Growth Fund.

Where relevant in the context, terms which are defined in the FSA Rules shall have the same meaning in this document and the Scheme.

TIMETABLE FOR THE SCHEME

	Date
Despatch documentation to unitholders	6 May 2010
Last time for receipt of Forms of Proxy and/or Form of Direction	21 May 2010 (72 hours before the time of the meeting)
Meeting of unitholders	9.40 a.m. on 24 May 2010
If the resolution for the scheme of arrangement is passed	
Suspend dealings in the Henderson Multi-Manager Growth Fund and Henderson Active Portfolio	immediately after 12 noon on 17 June 2010 for Henderson Multi-Manager Growth Fund and immediately after 4.00 p.m. on 17 June 2010 for Henderson Active Portfolio
End of current accounting period of the Henderson Multi-Manager Growth Fund	11.59 p.m. on 17 June 2010
Valuation of the Henderson Multi-Manager Growth Fund and the Henderson Active Portfolio	11.59 p.m. on 17 June 2010
Effective Time of merger of the Henderson Multi-Manager Growth Fund with the Henderson Active Portfolio	12.05 a.m. on 18 June 2010
Resumption of dealings in New Shares	9.00 a.m. on 21 June 2010

* **Please *note* that these times and dates may differ if Henderson, the Trustee and the Depositary agree that the Effective Date or Effective Time are to be other than as set out above.**



201 Bishopsgate, London EC2M 3AE

6 May 2010

Dear Investor,

SCHEME OF ARRANGEMENT TO MERGE THE HENDERSON MULTI-MANAGER GROWTH FUND (AN AUTHORISED UNIT TRUST) WITH THE HENDERSON ACTIVE PORTFOLIO FUND (A SUB-FUND OF THE HENDERSON PORTFOLIO INVESTMENT OEIC)

We are writing to you as a unitholder in the Henderson Multi-Manager Growth Fund to explain our proposal to merge this fund with the Henderson Active Portfolio.

Your fund will be merged by way of a scheme of arrangement. This document details the procedure by which the proposal will be effected, the action you should take and the implications for you as a unitholder in the Henderson Multi-Manager Growth Fund.

Please note that Henderson Active Portfolio will change its name to Henderson Multi-Manager Active Fund and Henderson Portfolio Investment OEIC will change its name to Henderson Multi-Manager Investment OEIC as at 9.00 a.m. on 21 June 2010.

Reasons for the proposal

The proposed merger of the Henderson Multi-Manager Growth Fund into the Henderson Active Portfolio is a result of the rationalisation process undertaken by Henderson since the acquisition of the New Star fund range in April 2009.

Throughout the rationalisation process, Henderson has looked to avoid significant duplication of funds and to combine those funds where there is a significant overlap in terms of investment objective and policy. In each instance the merger proposal has sought to put client needs first, by focusing on the fund that we believe offers investors the potential for greater returns going forward.

The Henderson Multi-Manager Growth Fund and the Henderson Active Portfolio are both located within the IMA Active Managed sector and display a number of broad similarities in terms of investment objective and geographical allocation. It has therefore been decided to merge the smaller fund into the fund with greater assets under management.

The Henderson Active Portfolio is a multi-manager fund providing investors and their advisers with an actively managed portfolio with exposure to the world's equity markets through a range of underlying funds and investments. It follows an active investment approach, with the fund managers evaluating where the best prospects lie in terms of asset allocation and identifying funds that they believe will outperform. The international flexibility means that the fund can profit from different economic cycles and be focused on areas that are likely to reward. While generally investing in equity-based funds, the fund's managers also take advantage of its flexible mandate to offer investors exposure to commodities, fixed income and other asset classes when appropriate.

Fund managers Mark Harris and Craig Heron pride themselves on seeking to add value to the Fund at a strategic asset allocation level. A significant amount of time is devoted to

evaluating research from leading research houses, brokers and economic strategists and discussing this with team members to formulate a view on where the best opportunities lie in terms of asset allocation. The research encompasses a range of tools, from looking at basic valuations, to studying technical analysis for market trends, and considering the impact that economic factors may have on asset prices. Once a view is agreed upon this dictates the emphasis of fund selection. The belief is that by carefully evaluating research the fund managers can identify those markets or sectors that are likely to outperform and, by extension, invest ahead of other investors.

The Henderson Active Portfolio follows a Non-UCITS Retail Scheme (NURS) fund structure. This allows for the inclusion of a broader range of asset classes, including commodities and property, as well as exchange traded funds (ETFs), investment trusts and derivatives. This wider use of instruments opens up the investment playing field considerably, allowing for a greater level of sophistication and diversity within the portfolio.

Since Mark Harris and Craig Heron started managing the fund on 1 January 2002 to the 31 March 2010 the Henderson Active Portfolio has risen 75.4%, compared to a rise of 51.2% in the IMA Active Managed sector, which places the Fund in the top quartile for performance over this period. (Source: Morningstar, Mid to Mid, Net income reinvested, Net of fees, GBP.)

Should the proposal be approved by unitholders, the assets of Henderson Multi-Manager Growth Fund would be transferred to Henderson Active Portfolio.

Henderson Multi-Manager Growth Fund and Henderson Active Portfolio are similar in that they both focus on achieving capital growth. Henderson Multi-Manager Growth Fund invests mainly in a spread of authorised unit trusts and/or authorised companies selected from those available in the whole market. Henderson Active Portfolio invests in markets in both the UK and overseas. Amongst other things, both funds may invest in unregulated collective investment schemes, money-market instruments, deposits and use derivatives for the purposes of efficient portfolio management.

The proposals will allow investors to preserve their tax status since we have been advised that the merger with Henderson Active Portfolio will not be treated as a taxable event. Investors who do not wish to become part of the Henderson Active Portfolio will have the option of a switch into any of our other funds or selling the fund but they must understand that this will be treated as a sale of their Henderson Multi-Manager Growth Fund holding and outside of an ISA shelter could trigger a taxable event and a potential capital gains tax liability.

Information concerning the funds

To help you consider the merits of the proposal, the main features of the Henderson Multi-Manager Growth Fund and the Henderson Active Portfolio, together with a summary of their investment objectives and policies are contained in Appendix 2 part 1.

The Henderson Multi-Manager Growth Fund is an authorised unit trust scheme and the Henderson Active Portfolio is a sub-fund of the Henderson Portfolio Investment OEIC. These are different types of authorised schemes and each of these authorised scheme types has distinct legal and technical characteristics but in many ways the schemes operate in a very similar way. A description of the differences between a unit trust scheme and an OEIC are set out at Appendix 2 part 2.

Terms of the proposal

The formal Scheme is set out in Appendix 1 and you are urged to read the terms under which the proposal will be implemented.

If the proposal is approved at the unitholder meeting on 24 May 2010, unitholders in the Henderson Multi-Manager Growth Fund will receive New Shares in the Henderson Active Portfolio. If you currently hold income units, you will receive accumulation shares in the Henderson Active Portfolio, in exchange for the transfer of the assets of the Henderson Multi-Manager Growth Fund to the Henderson Active Portfolio on the terms set out in the Scheme. Unitholders' existing units in the Henderson Multi-Manager Growth Fund will then cease to be of any value and an application will be made to the FSA for the winding up of Henderson Multi-Manager Growth Fund to commence immediately after the merger has taken place.

If the proposal is approved the Scheme will be binding on each unitholder in the Henderson Multi-Manager Growth Fund whether or not they voted in favour of the extraordinary resolution or at all.

Henderson will pay all the costs of implementing the proposal. It is not anticipated that any UK stamp duty reserve tax, stamp duty or equivalent overseas taxes or duties will be payable in respect of the Scheme. However, in the event that any stamp duty reserve tax, stamp duty or equivalent overseas taxes or duties are payable in respect of the Scheme, such taxes and duties will be borne by Henderson.

Features/technical points to note

Unitholders should note that there are a number of differences between the Henderson Multi-Manager Growth Fund and the Henderson Active Portfolio. Differences between the funds can be seen in Appendix 2, which provides a comparison between the main features of the two funds but we highlight the main points below.

- **Details of the investment objectives and policies of the Henderson Multi-Manager Growth Fund and the Henderson Active Portfolio**

The investment objective and policies for achieving the investment objectives of each of the funds differs slightly.

The investment objective of the Henderson Multi-Manager Growth Fund is to provide capital growth mainly through investment in a spread of authorised unit trusts and/or authorised companies selected from those available in the whole market. The Scheme will not be restricted to any particular economic sectors and the investment policy will take a long term balanced view of stock markets worldwide while maintaining a core holding in the UK.

Unitholders should note that as at 9.00 a.m. on 21 June 2010, the name of the Henderson Active Portfolio will be changed to Henderson Multi-Manager Active Fund and the name of the Henderson Portfolio Investment OEIC will be changed to Henderson Multi-Manager Investment OEIC.

The investment objective of the Henderson Active Portfolio is to achieve capital growth by investing in markets in both the UK and overseas. As with Henderson Multi-Manager Growth Fund, investments made by Henderson Active Portfolio will not be confined to any particular sector.

The Henderson Multi-Manager Growth Fund may invest in authorised collective investment schemes, transferable securities including investment trusts, money market instruments, deposits, derivatives and forward transactions and unregulated collective investment schemes. Similarly, the Henderson Active Portfolio may invest in authorised collective investment schemes, exchange traded funds, unregulated collective investment schemes (which include limited partnerships), money-market

instruments, deposits and any other permitted asset type deemed appropriate to meet the investment objective.

Both of the funds may use derivatives for the purposes of efficient portfolio management.

- **Classes and types of shares**

The Henderson Active Portfolio offers different classes of share from the Henderson Multi-Manager Growth Fund. If you currently hold units in the Henderson Multi-Manager Growth Fund under the proposal you would receive New Shares in class A in the Henderson Active Portfolio.

All New Shares issued under the proposal will be accumulation shares, rather than income units (which are currently issued in the Henderson Multi-Manager Growth Fund). This means that unitholders will no longer receive annual distributions of income and instead any income earned in the Henderson Active Portfolio is, on an annual basis, rolled up into the value of shares and is reflected in the value of those shares. You should note, however, that Henderson does offer an income withdrawal facility, details of which are available from Henderson on request.

- **Accounting Dates**

The Scheme introduces an additional interim accounting period ending on 17 June 2010 for Henderson Multi-Manager Growth Fund. This enables any income generated by the shares in Henderson Multi-Manager Growth Fund to be allocated to shares in that fund and to be taken into account when calculating the number of New Shares to be issued under the Scheme.

Henderson Active Portfolio has a different annual accounting reference date to Henderson Multi-Manager Growth Fund, so that if the Scheme is approved, you will receive any income allocations for the annual accounting period on different dates from currently. Please see Appendix 2, Part 1 for details.

- **Distributions**

Henderson Multi-Manager Growth Fund currently makes one income allocation in January. Henderson Active Portfolio by contrast, makes one income allocation in May.

- **Charges**

Initial Charge

The initial charge on income units in Henderson Multi-Manager Growth Fund is 5.25%. The initial charge for the class A accumulation shares in Henderson Active Portfolio is 5.00%. There will be no initial charge applied on the issue of the New Shares under the terms of the Scheme. The initial charge will however apply to any subsequent purchase of additional shares in Henderson Active Portfolio.

Annual Management Charge

The annual management charge for income units in Henderson Multi-Manager Growth Fund is 1.50% which is the same annual management charge as for class A accumulation shares in Henderson Active Portfolio.

More details of the other costs payable in the Henderson Multi-Manager Growth Fund and the Henderson Active Portfolio can be found in Appendix 2, Part 1.

Regular Savings

If you are currently investing monthly by direct debit, the last collection date before the proposed merger of Henderson Multi-Manager Growth Fund will, depending on your chosen direct debit date, be 1st, 15th or 16th June. Unless we receive your written instructions stating otherwise, direct debit collections after the Effective Date will be used to purchase shares in Henderson Active Portfolio. Monthly direct debit payments into Henderson Active Portfolio will be collected on the 1st, 15th or 16th of each month, and therefore if the merger proceeds, your first monthly direct debit payment into Henderson Active Portfolio will be collected on 1st, 15th or 16th July 2010 (depending on your chosen direct debit date). This collection date will be in respect of direct investments and investments made via an ISA.

Procedure for the Scheme

Implementation of the proposal is dependant on the passing of an extraordinary resolution set out in the Notice of Meeting of unitholders in the Henderson Multi-Manager Growth Fund which is set out in Appendix 5.

The procedure for the meeting of unitholders, which is to be held 24 May 2010 at 9.40 a.m., including details of the various consents, clearances and a list of the documents relating to the proposal which are available for inspection, is set out in Appendix 4. Henderson will pay the costs of convening and holding the meeting and any adjourned meeting.

If the resolution is passed at the meeting of the Henderson Multi-Manager Growth Fund, it is intended that the merger will be implemented in accordance with the terms of the Scheme on 18 June 2010.

Tax implications of the Scheme

Based on our understanding of the tax legislation and the tax clearances that have been obtained from HM Revenue and Customs, the New Shares in the Henderson Active Portfolio issued to you will have the same acquisition cost and acquisition date for the purposes of tax on capital gains as your existing units in the Henderson Multi-Manager Growth Fund. Please see Appendix 4 for details of the tax clearances which have been obtained.

It is not expected that any stamp duty reserve tax or stamp duty will be payable in connection with the Scheme. If any shall be payable, it will be paid by Henderson.

Any distribution of income made as a result of the Scheme will be taxable in the normal way.

The above is a summary of our understanding of the current UK legislation and HM Revenue and Customs practice relevant to UK resident investors. It may be subject to change. If you are in any doubt about your potential liability to tax as a result of the implementation of the Scheme you should consult your professional adviser.

If you would rather not be invested in the Henderson Active Portfolio you can switch to another Henderson fund prior to the Effective Date at no initial charge. Please contact Henderson on 0800 832 832 for further details on the funds available. The deadline for switching to another Henderson fund is 12 noon on 17 June 2010. The redemption and purchase may not take place at the same fund valuation point and as such, depending on

market movements, you might not receive the same number of shares/units that you may have expected to receive in the relevant fund at the time of the redemption of your holding in the Fund.

Please note that if you do switch your investment to another Henderson fund this will constitute a disposal of units for capital gains tax purposes and may give rise to a tax liability. This of course depends on your individual circumstances and if you are unsure of how this may affect you please contact your financial adviser or your independent tax adviser.

Further information

For further information on the Henderson Active Portfolio, please see the extract simplified prospectus at Appendix 3. The full simplified prospectus is available from Henderson on request or on our website at www.henderson.com.

Action to be taken

We urge you to vote in favour of the proposal for a scheme of arrangement to merge the Henderson Multi-Manager Growth Fund with the Henderson Active Portfolio.

To be passed, the resolution requires a majority in favour of not less than 75% of the votes cast, so it is important that you exercise your right to vote.

Whether or not you intend to be present at the unitholder meeting please either complete and return the enclosed Form of Proxy in the reply-paid envelope provided to Henderson Investment Funds Limited, c/o Corporate Mailing Solutions Limited, Unit 4b, Chelmsford Road Industrial Estate, Great Dunmow, Essex CM6 1HD or complete and submit the Form of Proxy online by following the instructions and using the unique username and password provided in the covering letter. Your Form of Proxy must be received no later than 72 hours before the meeting to be held on 24 May 2010. Completion and return of the Form of Proxy will not preclude you from attending and voting at the meeting (and any adjourned meeting) in person if you so wish. Should you require directions to Henderson at 201 Bishopsgate, London EC2M 3AE, please contact our Investment Services Team on 0800 832 832.

Your Form of Proxy must be received no later than 9.40 a.m. on 21 May 2010.

If, you are uncertain as to how to respond to this document, you should consult a professional adviser for advice.

If you have any queries about the proposal or require any further information, please contact us on 0800 832 832 between 9.00a.m. and 5.00 p.m. (Monday to Friday).

Yours sincerely



David Jacob
for and on behalf of
Henderson Investment Funds Limited

APPENDIX 1

SCHEME OF ARRANGEMENT FOR THE MERGER OF THE HENDERSON MULTI-MANAGER GROWTH FUND (AN AUTHORISED UNIT TRUST) WITH THE HENDERSON ACTIVE PORTFOLIO FUND (A SUB-FUND OF THE HENDERSON PORTFOLIO INVESTMENT OEIC)

1. Definitions:

- 1.1 In the scheme of arrangement unless the context otherwise requires, the terms shall have the meanings set out in the Glossary to this document set out on pages 1 and 2.
- 1.2 In addition, where relevant in the context, terms which are defined in the COLL Sourcebook shall have the same meaning in this Scheme.

2. Meeting of unitholders of the Henderson Multi-Manager Growth Fund:

The Scheme is conditional upon the passing of an extraordinary resolution at a meeting of unitholders of the Henderson Multi-Manager Growth Fund, by which the unitholders in the Henderson Multi-Manager Growth Fund approve the Scheme and instruct Henderson and the Trustee, as the manager and trustee of the Henderson Multi-Manager Growth Fund, to implement the Scheme.

If the extraordinary resolution is passed, the Scheme will be binding on all unitholders of the Henderson Multi-Manager Growth Fund (whether or not they voted in favour of it, or voted at all) and the Scheme will be implemented as set out in the following paragraphs.

3. Suspension of dealings in the Henderson Multi-Manager Growth Fund and the Henderson Active Portfolio:

In order to facilitate the implementation of the Scheme, dealings in the Henderson Multi-Manager Growth Fund shall be suspended immediately after 12.00 noon on 17 June 2010 and dealings in Henderson Active Portfolio shall be suspended immediately after 4.00 p.m. on 17 June 2010.

4. Income allocation arrangements:

An additional interim accounting date of 11.59 p.m. on 17 June 2010 will be introduced in respect of Henderson Multi-Manager Growth Fund.

This will enable income (if any) of Henderson Multi-Manager Growth Fund for the then current accounting period to 11.59 p.m. on 17 June 2010 to be allocated to units or distributed.

Income to be distributed to holders of income shares in Henderson Multi-Manager Growth Fund will not be treated as forming part of the property of Henderson Multi-Manager Growth Fund for the purpose of paragraph 5.

Any distributions in respect of Henderson Multi-Manager Growth Fund which are unclaimed six months after the Effective Date, together with any unclaimed distributions in respect of previous accounting periods, will be held by the Trustee in a separate designated account and will not form part of the scheme property of Henderson Active Portfolio.

However, any distributions which are unclaimed six years from the original dates of payment will be transferred by the Depositary (or by any successor as Depositary) to, and will become part of the capital property of, the Henderson Active Portfolio. The designated account will be closed when the last distribution is claimed or, if earlier, on the expiry of six years from the original payment of the distributions in respect of the accounting period ending on the Effective Date.

5. **Calculation of the value of the units in the Henderson Multi-Manager Growth Fund and the value of Shares in Henderson Active Portfolio:**

5.1 The value of the property attributable to units of the Henderson Multi-Manager Growth Fund and the value of the property attributable to shares of the Henderson Active Portfolio shall be calculated as at 11.59 p.m. on 17 June 2010 as follows:

5.1.1 The value of the property attributable to units of the Henderson Multi-Manager Growth Fund shall be calculated on a mid basis (excluding the normal dealing costs) in accordance with the COLL Sourcebook as at 11.59 p.m. on 17 June 2010; **less**

5.1.2 Income (if any) to be allocated to the Henderson Multi-Manager Growth Fund in respect of the current accounting period ending 11.59 p.m. on 17 June 2010 (see paragraph 4 above); **and**

5.1.3 The Retained Amount.

5.2 The value of the property attributable to class A accumulation shares of the Henderson Active Portfolio shall be the value of the income and capital property attributable to the Henderson Active Portfolio calculated on a mid-basis (excluding the normal dealing costs) in accordance with the Instrument of Incorporation COLL Sourcebook as at 11.59 p.m. on 17 June 2010.

These valuations shall be used in the calculation of the number of New Shares to be issued under paragraph 7 below.

6. **Issue of New Shares and transfer of property of the Henderson Multi-Manager Growth Fund:**

As at 12.05 a.m. on the Effective Date:

6.1 The Trustee shall continue to hold the Retained Amount as the property of the Henderson Multi-Manager Growth Fund upon the provisions set out in the Trust Deed. The remaining property of the Henderson Multi-Manager Growth Fund shall be transferred by the Trustee to the property of the Henderson Active Portfolio in full payment for the New Shares to be issued under paragraph 7.3 below, and shall be held in accordance with the Instrument of Incorporation of Henderson Portfolio Investment OEIC. The Trustee shall use the Retained Amount to discharge liabilities of the Henderson Multi-Manager Growth Fund in accordance with the COLL Sourcebook or as instructed by Henderson.

In the event that the Retained Amount in respect of the Henderson Multi-Manager Growth Fund, together with the income therefrom, exceeds the liabilities of the Henderson Multi-Manager Growth Fund, then any excess shall be held by the Depositary, as part of the property of the Henderson Active Portfolio subject to the provisions of the Instrument of Incorporation but shall not increase the number of New Shares to be issued pursuant to Clause 7.3 of this Scheme. If the liabilities of the Henderson Multi-Manager Growth Fund exceed the amount of the Retained Amount, together with the income therefrom, then, to the extent that it remains possible and it is permitted by the COLL Sourcebook, they shall be discharged out of the property of the Henderson Active Portfolio but otherwise they shall be discharged by Henderson. The Trustee, shall be freed and discharged from the provisions of the Trust Deed in respect thereof;

6.2 All units in the Henderson Multi-Manager Growth Fund shall be deemed to have been cancelled and shall cease to be of any value; and

6.3 Henderson shall issue New Shares to the unitholders in the Henderson Multi-Manager Growth Fund (who are registered as holding units in the Henderson Multi-Manager Growth Fund on the Effective Date) free of any initial charge on the basis set out in paragraph 7 below.

7. **Basis for the issue of the New Shares:**

7.1 The price of each New Share to be issued in the Henderson Active Portfolio to holders of income units in the Henderson Multi-Manager Growth Fund shall be the value of the property of accumulation units of the Henderson Active Portfolio divided by the number of accumulation units in issue in the Henderson Active Portfolio as at 11.59 a.m. on 17 June 2010 (not including shares to be issued under the Scheme).

7.2 New Shares shall be issued in the Henderson Active Portfolio to the value of the Henderson Multi-Manager Growth Fund as at 11.59 p.m. on 17 June 2010.

7.3 The New Shares (including fractions of shares) issued by the Henderson Active Portfolio shall be allocated among unitholders respectively in the Henderson Multi-Manager Growth Fund in proportion to their respective income units in the Henderson Multi-Manager Growth Fund held or deemed to be held by them at 11.59 p.m. on 17 June 2010 provided that the number of New Shares to be issued to any unitholder shall be rounded up to two decimal places at the expense of Henderson.

8. **Notification of the New Shares:**

8.1 Certificates are not issued in respect of shares issued in the Henderson Active Portfolio.

8.2 Each unitholder in the Henderson Multi-Manager Growth Fund (or, in the case of joint holders, the first named of such holders in the register of holders of the Henderson Multi-Manager Growth Fund) will be notified of the number of New Shares issued to them within fourteen days of the Effective Date. Unitholders will receive the annual short report of the Henderson Multi-Manager Growth Fund for the interim accounting period ending 17 June. After the Effective Date, unitholders will not receive any further reports in relation to the Henderson Multi-Manager Growth Fund, but will start to receive the report and accounts in respect of the Henderson Active Portfolio for the duration of the time they continue to be shareholders.

8.3 A unitholder in the Henderson Multi-Manager Growth Fund may give instructions for the transfer or sale of all or some of their New Shares from 9.00 a.m. on the first business day after the Effective Date by telephoning 0800 832 832 or by writing to Henderson at Henderson Investments Funds Limited, PO Box 9023, Chelmsford, Essex, CM99 2WB.

9. **Mandates and other instructions in respect of the New Shares:**

Subject to Henderson receiving any new mandates or instructions to the contrary, mandates and other instructions in force on the Effective Date in respect of a holder of units in the Henderson Multi-Manager Growth Fund shall be deemed to be effective mandates and instructions in respect of the New Shares issued to that unitholder under the Scheme and any later acquired shares in the Henderson Active Portfolio (unless that unitholder already holds shares in the Henderson Active Portfolio in which case the existing mandates and instructions in respect of those shares shall apply to the New Shares issued to him).

10. **Costs, charges and expenses of the Scheme:**

10.1 Henderson and the Trustee shall continue to receive their usual fees and expenses for respectively managing and being trustee of units of the Henderson Multi-Manager Growth Fund out of the property of the Henderson Multi-Manager Growth Fund which fall due or are incurred prior to the Effective Date or, in the case of expenses only, are incurred after the Effective Date.

10.2 The costs of preparing and implementing the Scheme, including the costs of convening and holding the meeting and any adjourned meeting of unitholders of the Henderson Multi-Manager Growth Fund, foreign taxes and duties (if any), and legal costs payable in connection with the Scheme, any redesignation or registration costs, shall be borne by Henderson. It is not expected that stamp duty reserve tax or stamp duty will be payable. If they are, such taxes will also be borne by Henderson.

10.3 No initial charge shall be taken by Henderson on the issue of the New Shares.

11. **Winding up of the Henderson Multi-Manager Growth Fund:**

Subject to the approval of the Scheme, the Henderson Multi-Manager Growth Fund will commence winding up at the Effective Date.

12. **Henderson to rely on the register:**

12.1 Henderson shall be entitled to assume that all information contained in the register of unitholders of Henderson Multi-Manager Growth Fund on and immediately prior to the Effective Date is correct, and to utilise the same in calculating the number of New Shares to be issued and registered pursuant to the Scheme.

12.2 Henderson may act and rely upon any certificate, opinion, evidence or information furnished to it by its professional advisers or by the auditors of the Henderson Multi-Manager Growth Fund in connection with the Scheme and shall not be liable or responsible for any resulting loss.

13. **Alterations to the Scheme:**

13.1 Henderson, the Trustee and the Depositary may agree that the Effective Date is to be other than 18 June 2010 or the Effective Time is to be other than 12.05 a.m. and if they do so, such consequential adjustments shall be made to the other elements in the timetable of the Scheme as they consider appropriate.

13.2 The terms of the Scheme may be amended as agreed by Henderson, the Trustee and the Depositary and approved by the FSA subject to Henderson, the Trustee and the Depositary confirming that such amendment does not involve any holders or potential holders of units of the Henderson Multi-Manager Growth Fund or any holders or potential holders of shares of the Henderson Active Portfolio in any material prejudice. If there is any conflict between the Scheme, the terms of the Trust Deed and/or the most recently published prospectus relating to the Henderson Multi-Manager Growth Fund, then the Scheme will prevail. If there is a conflict between the COLL Sourcebook and the Scheme, then the COLL Sourcebook shall prevail.

14. **Governing law:**

The Scheme shall be governed by and shall be construed in accordance with the law of England and Wales.

Dated 6 May 2010.

APPENDIX 2

PART 1

MAIN FEATURES OF THE HENDERSON MULTI-MANAGER GROWTH FUND AND THE HENDERSON ACTIVE PORTFOLIO FUND

Any defined terms used relate to those detailed in the Prospectus and Simplified Prospectus of the relevant Fund

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
1.	Investment objective and policy:	<p>The investment objective of the Henderson Multi-Manager Growth Fund is to provide capital growth mainly through investment in a spread of authorised unit trusts and/or authorised companies selected from those available in the whole market.</p> <p>The Scheme will not be restricted to any particular economic sectors and the investment policy will take a long term balanced view of stock markets worldwide while maintaining a core holding in the UK. The Scheme may also invest in transferable securities including investment trusts, money market instruments, deposits, derivatives and forward transactions and unregulated collective investment schemes.</p>	<p>To achieve capital growth by investing in markets in both the UK and overseas.</p> <p>The Fund may invest in collective investment schemes, exchange traded funds, unregulated collective investment schemes (which include limited partnerships), money-market instruments, deposits and any other permitted asset type deemed appropriate to meet the investment objective. Investment will not be confined to any particular sector.</p>
2.	Category of Scheme	Non-UCITS retail scheme	Non-UCITS retail scheme
3.	Types of units/shares offered:	Income units	Accumulation shares
4.	Income Equalisation	No	No
5.	Manager's Charges Annual: Initial:	1.50% (taken from income) 5.25%	1.50% (taken from income) 5.00%.
6.	Trustee/ Depository:	The Royal Bank of Scotland plc	The Royal Bank of Scotland plc

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
7.	Trustee's/ Depository's Charges:	Annual charge: calculated as 0.010 per cent of the net asset value of each Fund.	Annual charge: calculated as 0.010 per cent of the net asset value of each Fund.
8.	Custody Charges:	The fees for each Fund are the same and are as follows: The Trustee/Depository has appointed BNP Paribas Securities Services as the Custodian of the property of the Scheme/Company and is entitled to receive reimbursement of the Custodian's fees as an expense of the Scheme/Company. BNP Paribas Securities Services' remuneration for acting as Custodian is calculated at an ad valorem rate determined by the territory or country in which a Fund's assets are held. Currently, the lowest rate is 0.005 per cent and the highest rate is 0.4 per cent. In addition, the Custodian makes a transaction charge determined by the territory or country in which the transaction is effected. Currently, these transaction charges range from £10 to £120 per transaction.	
9.	Transaction/ Custody Charges:	See above	
10.	General Administration Charge:	<p>The General Administration Charge ("GAC") reimburses the Henderson for the following costs, charges, fees and expenses which it pays on behalf of the Funds:</p> <ul style="list-style-type: none"> the fees and expenses payable in respect of Fund Administration (including fund accounting costs) and to their respective delegates, unless otherwise specified in this Prospectus; fees and expenses in respect of establishing and maintaining the Register of Unitholders (and any sub-register(s)) and charges made by the Fund Administrator, Client Administrator, the Registrar, their respective delegates or any other entity relating to dealings in units and related functions; 	<p>The General Administration Charge ("GAC") reimburses the ACD for the following costs, charges, fees and expenses which it pays on behalf of each of the Funds:</p> <ul style="list-style-type: none"> the fees and expenses payable in respect of Fund Administration (including fund accounting costs) and to their respective delegates, unless otherwise specified in this Prospectus; fees and expenses in respect of establishing and maintaining the Register of Shareholders (and any sub-register(s)) and charges made by the Fund Administrator, Client Administrator, the Registrar, their respective delegates or any other entity relating to dealings in shares and related functions;

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
		<ul style="list-style-type: none"> • any costs incurred in producing, distributing and dispatching income and other payments to Unitholders; • any costs in respect of the preparation and calculation of the Net Asset Value and prices of units in the Fund and the publication and circulation thereof (including the costs of electronic data/information sources) and the costs of obtaining fund ratings and benchmark costs; • • fees of the FSA under the Financial Services and Markets Act 2000 and the corresponding fees of any regulatory authority in a country or territory outside the country in which units are or may lawfully be marketed; • the fees, charges, expenses and disbursements of the auditors and any tax, legal and other professional service provider or adviser of the Fund including (for the avoidance of doubt) any legal costs arising from any Unitholder action; • any costs incurred in respect of any meeting of holders (including meetings convened on a requisition by holders and not including the Manager or an associate of the Manager); • any costs incurred in producing and despatching dividend or other payments of the Fund; 	<ul style="list-style-type: none"> • any costs incurred in producing, distributing and dispatching income and other payments to shareholders; • any costs in respect of the preparation and calculation of the Net Asset Value and prices of shares in the Funds and the publication and circulation thereof (including the costs of electronic data/information sources) and the costs of obtaining fund ratings and benchmark costs; • fees of the FSA under the Financial Services and Markets Act 2000 and the corresponding fees of any regulatory authority in a country or territory outside the country in which shares are or may lawfully be marketed; • the fees, charges, expenses and disbursements of the auditors and any tax, legal and other professional service provider or adviser of the Company including (for the avoidance of doubt) any legal costs arising from any shareholder action; • any costs incurred in respect of any meeting of holders (including meetings convened on a requisition by holders and not including the ACD or an associate of the ACD); • any costs incurred in producing and despatching dividend or other payments of the Company;

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
		<ul style="list-style-type: none"> • any costs incurred in modifying the Trust Deed, and the Prospectus and the Simplified Prospectus or any other relevant document required under the Regulations; • costs incurred in taking out and maintaining any insurance policy in relation to the Fund, the Manager and the Trustee; • any costs incurred in company secretarial duties, including the cost of minute books and other documentation required to be maintained by the Fund; • any costs incurred in the preparation, translation, production (including printing) and distribution of annual, half yearly or other reports or information provided for Unitholders, accounts, statements, contract notes and other like documentation, any prospectuses (including simplified prospectuses (apart from the costs of distributing any simplified prospectus) or other relevant documents required under the Regulations), any instrument of incorporation and any costs incurred as a result of periodic updates of or changes to any prospectus or instrument of incorporation and any other administrative expenses; 	<ul style="list-style-type: none"> • any costs incurred in modifying the Instrument of Incorporation, the ACD Agreement and the Prospectus and the Simplified Prospectus or any other relevant document required under the Regulations; • costs incurred in taking out and maintaining any insurance policy in relation to the Company and/or its Directors (including the ACD) and the Depositary; • any costs incurred in company secretarial duties, including the cost of minute books and other documentation required to be maintained by the Company; • any costs incurred in the preparation, translation, production (including printing) and distribution of annual, half yearly or other reports or information provided for shareholders, accounts, statements, contract notes and other like documentation, any prospectuses (including simplified prospectuses (apart from the costs of distributing any simplified prospectus) or other relevant documents required under the Regulations), any instrument of incorporation and any costs incurred as a result of periodic updates of or changes to any prospectus or instrument of incorporation and any other administrative expenses;

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
		<ul style="list-style-type: none"> • any amount payable by the Fund under any indemnity provisions contained in the Trust Deed or any agreement with any functionary of the Fund; • any payments otherwise due by virtue of the COLL Sourcebook; • all costs incurred in connection with communicating with investors; • all fees and expenses incurred in relation to the addition and initial organisation of any new Funds, the listing of units on any stock exchange, any offer of units (including the preparation, translation, printing and distribution of any Prospectus (apart from the costs and expenses of distributing any simplified prospectus) and listing documents) and the creation, conversion and cancellation of units in a new or existing Fund; • certain liabilities on amalgamation or reconstruction arising after transfer of property to the Fund in consideration for the issue of units as more fully detailed in the FSA Rules; • the fees and expenses of any paying agents, information agents or other entities which are required to be appointed by the Fund by any regulatory authority; 	<ul style="list-style-type: none"> • any amount payable by the Company under any indemnity provisions contained in the Instrument of Incorporation or any agreement with any functionary of the Company; • any payments otherwise due by virtue of the COLL Sourcebook; • all costs incurred in connection with communicating with investors; • all fees and expenses incurred in relation to the addition and initial organisation of any new Funds, the listing of shares on any stock exchange, any offer of shares (including the preparation, translation, printing and distribution of any Prospectus (apart from the costs and expenses of distributing any simplified prospectus) and listing documents) and the creation, conversion and cancellation of shares in a new or existing Fund; • certain liabilities on amalgamation or reconstruction arising after transfer of property to the Company in consideration for the issue of shares as more fully detailed in the FSA Rules; • the fees and expenses of any paying agents, information agents or other entities which are required to be appointed by the Company by any regulatory authority;

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
		<ul style="list-style-type: none"> royalties, licensing fees and other like payments in relation to the use of intellectual property; and any VAT that is payable on these charges where appropriate. 	<ul style="list-style-type: none"> royalties, licensing fees and other like payments in relation to the use of intellectual property; and any VAT that is payable on these charges where appropriate.
		This GAC charge is 0.18% in respect of accumulation units.	This GAC charge is 0.18% in respect of class A shares.
11.	Dilution Policy:	<p>The need to make a dilution adjustment will depend on the volume of purchases or redemptions of Units/Shares as described below linked to a Fund.</p> <p>The Manager/ACD may make a discretionary dilution adjustment if in its opinion the existing Unitholders/Shareholders (for purchases) or continuing Unitholders/Shareholders (for redemptions) might otherwise materially be adversely affected. In particular, the Manager/ACD reserves the right to make a dilution adjustment in the following circumstances:</p> <p>a) on a Fund experiencing large levels of net purchases (i.e. purchases less redemptions) relative to its size;</p> <p>b) on a Fund experiencing large levels of net redemptions (i.e. redemptions less purchases) relative to its size;</p> <p>c) in any other case where the Manager/ACD is of the opinion that the interests of existing/continuing unitholders/shareholders and potential unitholders/shareholders require the imposition of a dilution adjustment.</p> <p>This policy to swing the dealing price will be subject to regular review and may change. The Manager/ACD's decision as to whether or not to make a dilution adjustment, and as to what level of adjustment might be made in particular circumstances or generally, will not prevent it from making a different decision in similar circumstances in the future.</p> <p>Where a dilution adjustment is applied, it will increase the dealing price when there are net inflows into the relevant Fund and decrease the dealing price when there are net outflows. The dealing price of each class of Unit/Share linked to a Fund will be calculated separately but any dilution adjustment will in percentage terms affect the dealing price of each class of Unit/Share linked to a Fund identically.</p> <p>As dilution is directly related to the inflows and outflows of monies from the relevant Fund, it is not possible to predict accurately whether dilution will occur at any future point in time. Consequently it is also not possible to predict accurately how frequently the</p>	

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
		<p>Manager/ACD will need to make such a dilution adjustment. On the occasions when no dilution adjustment is made there may be an adverse impact on the total assets of the relevant Fund.</p> <p>The dilution adjustment can vary over time and vary depending on the assets held by the relevant Fund. A dilution adjustment was applied on one occasion in the period 1 January 2009 to 31 December 2009 no dilution adjustment was made.</p>	
12.	Switching Fee:	There are currently no charges on switching between Funds or classes in the Scheme/Company.	
14.	Valuation point:	12 noon	4.00pm
15.	Minimum Investment Levels		
	Initial	£1,000	£1,000
	Subsequent	£100	£100
	Minimum holding	£1,000	£1,000
15.	Accounting period end dates		
	- Interim:	23 May	31 July
	- Final:	23 November	31 January
16	Income Allocation Dates		
	- Interim:	-	-
	- Final:	23 January	31 May
17.	Pricing Basis:	Forward	Forward
18.	Fund Size at end of March 2010:	£202.40m	£217.71m
19.	Eligible Markets:	<p>An Eligible Market is a securities market established in an EEA State on which transferable securities admitted to the official listing in that country are dealt in or traded. Further markets include;</p> <p>Australia - Australian Securities Exchange</p> <p>Brazil - São Paulo Stock Exchange</p> <p>Canada - TSX Venture Exchange, Montreal Stock Exchange, Toronto Stock Exchange</p> <p>China - Shanghai Stock Exchange and Schenzhen Stock Exchange</p>	<p>An Eligible Market is a securities market established in an EEA State on which transferable securities admitted to the official listing in that country are dealt in or traded. Further markets include;</p> <p>Australia - Australian Securities Exchange</p> <p>Brazil - BM&F BOVESPA</p> <p>Canada - The TSX Ventures Exchange, The Montreal Stock Exchange and The Toronto Stock Exchange</p> <p>Channel Islands - Channel Islands Stock Exchange</p>

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
		<p>Hong Kong - The Hong Kong Exchanges</p> <p>India - Bombay Stock Exchange (The Stock Exchange of Mumbai)</p> <p>Indonesia - Jakarta Stock Exchange, Surabaya Stock Exchange</p> <p>Israel - Tel Aviv Stock Exchange</p> <p>Japan - Nagoya Stock Exchange, Osaka Securities Exchange, Sapporo Stock Exchange, Tokyo Stock Exchange</p> <p>Malaysia - Bursa Malaysia Berhad</p> <p>Mexico - The Mexican Stock Exchange</p> <p>New Zealand - The New Zealand Stock Exchange</p> <p>Peru - Lima Stock Exchange</p> <p>Poland - Warsaw Stock Exchange</p> <p>Singapore - The Singapore Exchange</p> <p>South Africa - JSE Securities Exchange</p> <p>Switzerland - The SWX Swiss Exchange</p> <p>Thailand - Stock Exchange of Thailand (SET)</p> <p>USA - American Stock Exchange, Boston Stock Exchange, National Stock Exchange, NASDAQ, New York Stock Exchange, NYSE Arca, Philadelphia Stock Exchange, Chicago Stock Exchange.</p>	<p>China - Shanghai Stock Exchange and Shenzhen Stock Exchange</p> <p>Hong Kong - The Hong Kong Exchanges</p> <p>Indonesia - Indonesia Stock Exchange (Bursa Efek Indonesia)</p> <p>Japan - The Tokyo Stock Exchange, The Nagoya, The Sapporo Stock Exchange and JASDAQ Securities Exchange</p> <p>Korea - Korea Exchange Incorporated (KRX)</p> <p>Malaysia - Bursa Malaysia Berhad</p> <p>Mexico - The Mexican Stock Exchange</p> <p>New Zealand - The New Zealand Stock Exchange</p> <p>Peru - Lima Stock Exchange</p> <p>Philippines - The Philippine Stock Exchange</p> <p>Singapore - The Singapore Exchange</p> <p>South Africa - JSE Securities Exchange</p> <p>Sri Lanka - Colombo Stock Exchange</p> <p>Switzerland - The SWX Swiss Exchange</p> <p>Taiwan - Taiwan Stock Exchange (TSEC)</p> <p>Thailand - Stock Exchange of Thailand (SET)</p> <p>Turkey - Istanbul Stock Exchange</p> <p>USA - The New York Stock</p>

		Henderson Multi-Manager Growth Fund	Henderson Active Portfolio, a sub-fund of Henderson Portfolio Investment OEIC
			Exchange, The American Stock Exchange, NASDAQ, OTC Markets regulated by the NASD/NASDAQ, The Philadelphia Stock Exchange and NYSE Arca.

PART 2

COMPARISON OF THE PRINCIPAL FEATURES OF UNIT TRUSTS AND OEICs

Feature	Authorised unit trust	OEIC
Fund structure	Single unit trust or umbrella unit trust (the Henderson Multi-Manager Growth Fund is a single unit trust)	Single fund company or umbrella company (the Henderson Active Portfolio is a sub-fund of an umbrella company, the Henderson Portfolio Investment OEIC)
Types of unit or shares	Different unit classes are permitted which can be tailored for different types of investors	Different share classes permitted which can be tailored for different types of investors
Regulator	FSA	FSA
Management and administration	Manager	Authorised Corporate Director
Custody of assets	Trustee	Depository
Switching facility	Unitholders in a single unit trust are generally permitted to switch all or part of their Units for units/shares in any other fund managed by the same manager. Similarly switching may take place between the funds of an umbrella unit trust	Shares can be switched between funds of an umbrella company and also other funds managed by the ACD
Pricing	Dual pricing in most cases although single pricing is allowed (the Henderson Multi-Manager Growth Fund is single priced)	Single pricing or dual pricing (the Henderson Active Portfolio is single priced)
Taxation	Exempt from capital gains tax for investments held within the unit trust. Investors personally liable to income tax and capital gains tax unless shares are held within a tax exempt wrapper (e.g. ISA)	Exempt from capital gains tax for investments held within the OEIC. Investors personally liable to income tax and capital gains tax unless shares are held within a tax exempt wrapper (e.g. ISA)

Legal Structure

An OEIC is an investment company with variable capital incorporated under the Open-ended Investment Companies Regulations 2001 (as amended). These regulations establish a separate corporate regime for the operation of open-ended investment companies. An OEIC is structured as a company and is governed by an instrument of

incorporation, which is similar to the memorandum and articles that govern a company incorporated under the Companies Act. This means that an OEIC has many of the usual characteristics of a company – for example a separate corporate identity, a single director or directors, and shareholders. Shareholders in the OEIC do not themselves own the property of the OEIC, rather they own shares in the OEIC, which gives them a number of legal rights in respect of that property.

An OEIC is authorised by the FSA under the OEIC Regulations and the FSA Rules.

An authorised unit trust is governed by a trust deed made between a manager and a trustee and is subject to the FSA Rules. Unitholders themselves own the investments of the unit trust which are held on trust by the trustee for the benefit of unitholders. The nature of each unitholder's right to participate in the property of the unit trust and any income which arises from it is that of a beneficial interest under a trust.

Whilst an OEIC issues shares rather than units, the number of shares in issue nevertheless rises and falls based on the number of purchases and repurchases of shares in the OEIC or each fund of an OEIC, as appropriate, as is the case with a unit trust.

As with units in a unit trust, the price of each share in an OEIC is directly related to the value of the underlying investments.

As with a unit trust, an OEIC sub-fund has its own investment objective and policy, and its investment and borrowing powers and restrictions are prescribed by the FSA Rules.

Fund Structure

An OEIC may comprise a single fund or may be structured as an umbrella OEIC with a number of different funds, each with its own portfolio of underlying assets invested in accordance with the investment objective and policy applicable to that fund. Similarly, a unit trust may comprise a single fund or may be an umbrella unit trust with a number of different funds.

Each fund of an umbrella OEIC is generally treated as a separate entity, with a specific portfolio of securities to which its assets and liabilities are attributable. As far as possible, each fund will be treated as bearing the liabilities attributable to it (plus a share of any general liabilities which are not directly attributable to any particular fund). Although each fund, so far as possible, will be treated as bearing the liabilities, expenses, costs, and charges attributable to it, in the unlikely event that its assets are not sufficient to meet these, the authorised corporate director of the OEIC may re-allocate assets, liabilities, expenses, costs and charges between the funds in a manner which it believes is fair to the shareholders generally. Any such re-allocation would generally be effected on a pro-rata basis having regard to the net asset values of the relevant funds. If there is any such re-allocation shareholders will be advised of it in the next succeeding annual or half-yearly report to shareholders. Because an authorised unit trust is a trust structure, unitholders should not be liable for the liabilities of other funds of an umbrella unit trust.

Notwithstanding the above, however, shareholders are not liable for the debts of the OEIC in that a shareholder is not liable to make any further payment to the OEIC after he has paid the price on the purchase of the shares. This is the same for a unit trust.

In the event that an OEIC is unable to fulfil its financial liabilities to investors, shareholders may, in certain circumstances, be entitled to compensation under the Financial Services Compensation Scheme. Investors in unit trusts are entitled to the same protection.

Regulators and Regulations

The FSA is the body which regulates the authorisation, establishment and administration of both OEICs and unit trusts in the UK. The FSA has made regulations (the FSA Rules) which govern the operation of OEICs and unit trusts. The details of these regulations are broadly similar in their application to OEICs and unit trusts.

Management and Administration

An OEIC is managed on a day to day basis by its authorised corporate director. The authorised corporate director's main function is to select and maintain the investments of the OEIC in accordance with the instrument of incorporation, the most recently published prospectus and the governing FSA regulations.

The authorised corporate director is also responsible for the valuation of the scheme property, and the pricing of shares, and for selling and redeeming shares in the OEIC.

A unit trust is managed by a manager which has broadly similar functions to those of an authorised corporate director.

Custody of Investments

In the case of an OEIC, there is an independent depository who is responsible for the safekeeping of the scheme property of the OEIC entrusted to it. The depository also has a duty to take reasonable care to ensure that the OEIC is being managed in accordance with the FSA Rules.

A unit trust has a trustee. The trustee must be independent from the manager and has duty to take reasonable care to ensure that the manager complies with certain of its obligations in relation to the management of the unit trust in accordance with the FSA Rules. The trustee is also required to act as the custodian of the investments of the unit trust. The trustee may in turn delegate this function to a custodian at its discretion.

Meetings

In both an OEIC and a unit trust the quorum for a meeting of holders is two holders present in person or by proxy. The quorum for any adjourned meeting is one holder present in person or by proxy.

On a poll the voting rights attaching to each share/unit are such proportion of the voting rights attached to all the shares/units in issue that the price of the shares/units bears to the aggregate price(s) of all the shares in issue at the date seven days before the notice of meeting is deemed to have been served.

The provisions for general meetings apply in the same way to fund meetings and other class meetings.

Accounts

For both unit trusts and OEICs, short reports will normally be distributed to all shareholders or unitholders not later than four months from the annual accounting date and two months from the interim accounting date. Long Reports will be available on request.

APPENDIX 3

Extract from Simplified Prospectus for Henderson Active Portfolio

To be renamed Henderson Multi-Manager Active Fund on 21 June 2010

Aims

- The Fund aims to provide capital growth by investing in markets in the UK and overseas.

Please see the full Prospectus for the Fund objective and policy.

Fund specific risk warnings

- A. Overseas investments
- C. Funds where income may be funded from capital

Please see full simplified prospectus for details of these specific risks.

Effect of charges and expenses

The adjacent table illustrates the effect of charges and expenses on an investment. These figures are not guaranteed. The table shows the effect of charges and expenses on a £1,000 LUMP SUM INVESTMENT in Class A Accumulation Shares assuming an initial charge of 5.00% and a growth rate of 6.00% per annum.

Performance information

Please note that past performance is not a guide to future performance. The adjacent graph displays annual performance which is the gains or losses made by the Fund for each complete calendar year. We also show the cumulative performance figure (gains or losses over the entire period) for a maximum of ten years, or as many complete calendar years that are available. The historical performance information is net of UK tax and does not include the effect of subscription and redemption charges.

This Fund was launched in June 1996.

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Accounting information

Accounting reference dates	31 Jan (Annual)	31 Jul (Interim)
Payment dates	31 May	
Dividend or interest distribution	Dividend	
AMC from income or capital	100% from income	

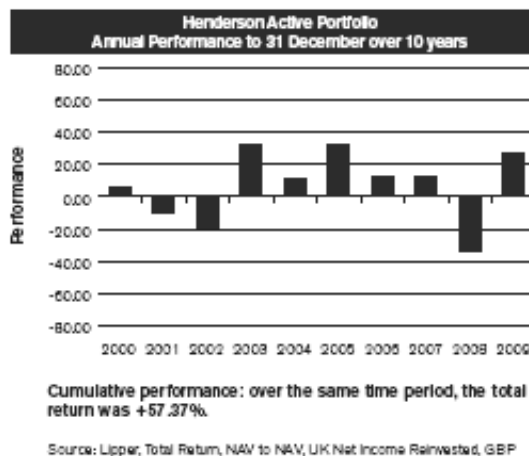
Charges and expenses (please see full Simplified Prospectus for further details)

Share class	Class A Accumulation and Income Shares
Initial charge %	5.00%
AMC %	1.50%
Redemption charge*	Up to 3% on subscriptions held for less than 90 days
TER%**	2.16% (% of Fund value - includes estimated charges made by underlying funds within the Fund)
PTR%**	363%

*At the discretion of the Manager. **TER is as at 31/08/09 and PTR is as at 31/12/09.

At the end of year	Investment to date (£)	Effect of deductions (£)	What you might get back (£)
1	1,000	74	985
3	1,000	130	1,060
5	1,000	197	1,140
10	1,000	420	1,370

The last line in the table shows that over 10 years the effect of the total charges and expenses could amount to **£420**. Putting it another way, this would have the same effect as bringing down investment growth from 6.00% a year to **3.20%** a year.



APPENDIX 4

PROCEDURE FOR UNITHOLDER MEETING

A Notice of the meeting of unitholders, setting out the resolution to approve the Scheme is set out in Appendix 5.

The quorum for the meeting is two unitholders present in person or by proxy.

If a quorum is not present within half an hour after the time appointed for the meeting on 24 May 2010, the meeting will be adjourned to a date and time at least seven days later. Notice will be given of the adjourned meeting and at that meeting if a quorum is not present within 15 minutes from the time appointed for the meeting, one person entitled to be counted in a quorum present at the meeting is a quorum.

The Trustee has appointed James Bowers or failing him, any duly appointed representative of Henderson Group plc, of which Henderson is a wholly owned subsidiary, to be chairman of the meeting or any adjourned meeting.

The resolution will be proposed as an "extraordinary resolution" and must be carried by a majority in favour of not less than 75% of the total number of votes cast at the meeting. (Persons who are unitholders on the date seven days before the Notice is sent out but excluding persons who are known to Henderson not to be unitholders at the time of the meetings are entitled to vote.)

Once passed, an extraordinary resolution is binding on all unitholders.

Henderson is only entitled to be counted in the quorum and vote at the meeting in respect of units which it holds on behalf of or jointly with a person who, if himself the sole registered unitholder, would be entitled to vote and from whom Henderson has received voting instructions.

Associates of Henderson are entitled to be counted in a quorum. They may vote at the meeting in respect of units which they hold on behalf of or jointly with a person who, if himself the registered holder, would be entitled to vote and from whom they have received voting instructions.

In view of the importance of the proposal, the chairman of the meeting will order a poll to be taken in respect of the resolution. On a poll, the voting rights attached to each unit are such proportion of the voting rights attached to all of the units of that class in issue that the price of the unit bears to the aggregate price or prices of all units of that class in issue. A unitholder entitled to more than one vote on a poll need not, if he votes, use all his votes or cast all the votes he uses in the same way.

CONSENTS AND CLEARANCES

The Trustee

In accordance with normal practice, the Trustee, whilst expressing no opinion on the merits of the merger of the Henderson Multi-Manager Growth Fund with the Henderson Active Portfolio, has informed Henderson by letter that it considers that the Scheme is in an appropriate form to be placed before unitholders in the Henderson Multi-Manager Growth Fund for their consideration. The Trustee has approved the form of the Form of Proxy and the place for the meeting and the lodging of Forms of Proxy.

The Trustee has also informed Henderson by letter that it consents to the references made to it in this document in the form and context in which they appear.

The Depositary

The Depositary has also informed Henderson by letter that it consents to the references made to it in this document in the form and context in which they appear.

The ACD

Henderson confirms that the receipt of the property of the Henderson Multi-Manager Growth Fund by the Henderson Active Portfolio is not likely to result in any material prejudice to the shareholders in the Henderson Active Portfolio, is consistent with the objectives of the Henderson Active Portfolio and can be effected without any breach of a rule in Chapter 5 of the COLL Sourcebook and further that the implementation of the Scheme is not likely to result in any material prejudice to the interests of existing shareholders in the Henderson Active Portfolio.

The Auditors

PricewaterhouseCoopers LLP, auditors to Henderson Multi-Manager Growth Fund, whilst not otherwise expressing any view on the merits or demerits of the proposal or the contents of the Scheme, has informed Henderson by letter that, in its opinion, the basis on which the number of class A shares of Henderson Active Portfolio to be issued to unitholders of Henderson Multi-Manager Growth Fund is to be calculated is fair and reasonable so far as unitholders in Henderson Multi-Manager Growth Fund are concerned.

KPMG LLP, auditors to Henderson Active Portfolio, whilst not otherwise expressing any view on the merits or demerits of the proposal or the contents of the Scheme, has informed Henderson by letter that, in its opinion, the basis on which the number of class A shares of Henderson Active Portfolio to be issued to unitholders of Henderson Multi-Manager Growth Fund is to be calculated is fair and reasonable so far as shareholders in Henderson Active Portfolio are concerned.

Financial Services Authority

The Financial Services Authority has confirmed by letter to Eversheds LLP, solicitors to Henderson, that implementation of the Scheme will not affect the authorisation of the Henderson Multi-Manager Growth Fund or the Henderson Portfolio Investment OEIC respectively as authorised schemes under the Financial Services and Markets Act 2000 or the Open-Ended Investment Company Regulations 2001.

Tax Clearances

HM Revenue and Customs has confirmed by letter to Eversheds LLP that section 137 of the Taxation of Chargeable Gains Act 1992 should not apply to the reconstruction of the merger and that consequently section 136 of that Act may apply whatever the size of the unitholding. Accordingly, the reconstruction and the merger should not involve a disposal of units in the Henderson Multi-Manager Growth Fund for the purposes of tax on capital gains.

The New Shares in the Henderson Active Portfolio will have the same acquisition cost and acquisition date for the purposes of capital gains tax as the existing units in the Henderson Multi-Manager Growth Fund.

HM Revenue and Customs have given clearance that with respect to section 701 of the Income Tax Act 2007, no counteraction notice ought to be served under section 698 of the Income Tax Act 2007 (counteracting income tax advantages from certain transactions in securities) and also that the Scheme does not create a corporation tax advantage which should be cancelled under Part 15 of the Corporation Tax Act 2010.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the offices of Henderson at 201 Bishopsgate, London EC2M 3AE during normal business hours on weekdays (excluding bank holidays) until the date of the meeting or of any adjourned meeting:

1. the Trust Deed and supplemental trust deeds constituting the Henderson Multi-Manager Growth Fund;
2. the Instrument of Incorporation of the Henderson Portfolio Investment OEIC;
3. the letter to Henderson from the Trustee referred to under "Consents and Clearances" above;
4. the letters to Henderson from PricewaterhouseCoopers LLP and KPMG Audit Plc referred to under "Consents and Clearances" above;
5. the letter to Eversheds LLP, solicitors to Henderson, from the Financial Services Authority referred to under "Consents and Clearances" above;

6. the letters from the HM Revenue and Customs referred to under "Consents and Clearances" above;
7. the current Prospectus and the last two audited annual and unaudited half-yearly short reports issued in respect of the Henderson Portfolio Investment OEIC; and
8. the current Prospectus and the last two annual and half-yearly managers' reports issued in respect of the Henderson Multi-Manager Growth Fund.

APPENDIX 5

HENDERSON MULTI-MANAGER GROWTH FUND

NOTICE OF MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that a meeting of the unitholders of the Henderson Multi-Manager Growth Fund, will be held at 201 Bishopsgate, London EC2M 3AE on 24 May 2010 at 9.40 a.m. to consider and vote on the following resolution which will be proposed as an **EXTRAORDINARY RESOLUTION**:

RESOLUTION

THAT the scheme of arrangement for the merger of the Henderson Multi-Manager Growth Fund (the "Trust") with the Henderson Active Portfolio, (a sub-fund of the Henderson Portfolio Investment OEIC) set out in Appendix 1 to a document dated 6 May 2010 and addressed by Henderson Investment Funds Limited (the "Manager"), to unitholders in the Trust is hereby approved and that the Manager and The Royal Bank of Scotland plc, the trustee of the Trust, are hereby instructed to implement the Scheme.



David Jacob
for and on behalf of
Henderson Investment Funds Limited

6 May 2010

NOTES:

- 1 To be passed, an extraordinary resolution must be carried by a majority in favour of not less than 75% of the total votes cast at the meeting.
- 2 A unitholder entitled to attend and vote may appoint a proxy who need not be another unitholder to attend and vote instead of him. To be valid Forms of Proxy and the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) must be deposited with Henderson Investment Funds Limited, c/o Corporate Mailing Solutions Limited, Unit 4b, Chelmsford Road Industrial Estate, Great Dunmow, Essex CM6 1HD, not later than 72 hours before the meeting which is to be held on 24 May 2010. Please use the reply-paid envelope provided.
- 3 On a poll, the voting rights attached to each unit are such proportion of the voting rights attached to all of the units of that class in issue that the price of the unit bears to the aggregate price or prices of all units of that class in issue. A unitholder entitled to more than one vote on a poll need not, if he votes, use all his votes or cast all the votes he uses in the same way.
- 4 The quorum for the meeting is two unitholders present in person or by proxy. If a quorum is not present within half an hour after the time appointed for the meeting, the meeting will be adjourned to a date and time at least seven days later. Not less than seven days notice will be given of the adjourned meeting and at that meeting if a quorum is not present at this 15 minutes from the time appointment for the meeting one person entitled to be counted in a quorum present at the meeting is a quorum.