

THE ENCLOSED LETTERS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.
EACH LETTER RELATES TO PROPOSED CHANGES TO HENDERSON FUND(S) YOU
CURRENTLY OWN AND REQUIRES ACTION ON YOUR PART.

For use at the meeting of unitholders of
Henderson Cautious Portfolio Unit Trust (the
"Fund") to be held at the offices of
Henderson Investment Funds Limited at 201
Bishopsgate, London EC2M 3AE on 24 May
2010 at 9.20 a.m.

6 May 2010

PROPOSED CHANGES TO THE HENDERSON CAUTIOUS PORTFOLIO UNIT TRUST

Proposed merger of the Henderson Cautious Portfolio Unit Trust with the Henderson Multi-Manager Income & Growth Fund

As an investor in the Henderson Cautious Portfolio Unit Trust this letter serves to explain our proposal to merge the fund with the Henderson Multi-Manager Income & Growth Fund. This letter should be read in conjunction with the accompanying circular, which provides full details about the proposal. If there is anything about which you are uncertain you should consult your financial adviser.

Reasons for the proposed merger

The Henderson Cautious Portfolio Unit Trust and the Henderson Multi-Manager Income & Growth Fund are both constituents of the IMA† Cautious Managed sector and display a large number of similarities in terms of investment objective and asset allocation. In particular, both funds are multi-manager funds providing investors with exposure to different asset classes through a range of underlying funds and investments. Given the overlap in terms of investment approach and objective, we believe it would be in investors' interests to merge the smaller fund into the fund with the greater assets under management and the better performance record.

The Henderson Multi-Manager Income & Growth Fund, managed by Bill McQuaker, has consistently been one of the best performing funds in the IMA Cautious Managed sector being ranked in the top 25% of funds in the sector over 1,2,3,4 and 5 years to 31 March 2010. Over the five years to 31 March 2010 the fund has returned 50.3% compared with a return of 22.4% for the sector*. The Henderson Multi-Manager Income & Growth Fund carries an annual management charge of 1.5%, which is 0.15 percentage points higher than the 1.35% annual management charge on the Henderson Cautious Portfolio Unit Trust. Investors are reminded that past performance is not a guide to future performance.

	Henderson Multi-Manager Income & Growth Fund	IMA Cautious Managed sector
31.03.2005 to 31.03.2006	20.6	15.0
31.03.2006 to 30.03.2007	6.3	4.6
30.03.2007 to 31.03.2008	-4.4	-4.8
31.03.2008 to 31.03.2009	-8.0	-16.1
31.03.2009 to 31.03.2010	33.2	27.4

Source: Morningstar, nav-nav, Net income reinvested, Net of fees, GBP. † Investment Management Association.
Past performance is not a guide to future performance.

Additionally, the Henderson Multi-Manager Income & Growth Fund has a greater emphasis on income. The Henderson Multi-Manager Income & Growth Fund offers income units which pay a quarterly income distribution in contrast to the Henderson Cautious Portfolio Unit Trust which has income reinvested. The

Account Number:

I/We, the undersigned, being a unitholder in the Fund hereby appoint the Chairman of the meeting or (see Note 1)

Name:

Address:

to act as my proxy to vote on my behalf at the Extraordinary General Meeting of the unitholders of the Fund and at any adjournment(s) thereof in relation to the Extraordinary Resolution specified in the Notice of Meeting dated 6 May 2010 (the "Resolution").

Please indicate how you wish your proxy to vote in respect of the Resolution set out below by placing a 'tick' in the appropriate box under either 'for' or 'against'. In respect of the Resolution, I direct my proxy to vote as follows (see Note 2);

Resolution	For	Against
Approval of scheme of arrangement to merge Henderson Cautious Portfolio Unit Trust with Henderson Multi-Manager Income & Growth Fund	<input type="checkbox"/>	<input type="checkbox"/>

Please complete and return this Proxy to us by 9.20 a.m. on 21 May 2010. A reply-paid envelope is enclosed. Please read the Notes overleaf carefully.

Signature

Date:



income discipline sits more comfortably with the peer group of the IMA Cautious Managed sector for which income and potential capital appreciation are often the combined objective. Investors who do not wish to receive income from the Henderson Multi-Manager Income & Growth Fund can opt to have their income automatically reinvested at no additional cost.

Terms of the proposal

Should the proposal be approved by investors, you will receive new units in the Henderson Multi-Manager Income & Growth Fund on 18 June 2010. Your holding in the new Fund will have the same value immediately post merger although the number of units held will differ owing to price differences between the funds. Henderson will pay all the costs of implementing the proposal.

The proposals will allow investors to preserve their tax status since we have been advised that the merger with Henderson Multi-Manager Income & Growth Fund will not be treated as a taxable event.

Action to be taken

Implementation of the proposed changes depends on the passing of an extraordinary resolution at an Extraordinary General Meeting to be held on **24 May 2010 at 9:20am**, notice of which is given in Appendix 5 of the enclosed proposal circular. The procedure for the Extraordinary General Meeting is set out in Appendix 4. **If approved, changes become effective from 18 June 2010.**

Your vote counts

We urge you to vote in favour of the extraordinary resolution. To be passed, the resolution requires a majority in favour of no 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 Extraordinary General Meeting, it is important that you 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.

Alternatively you can complete your Form of Proxy online at: www.henderson.castavote.co.uk using the unique username and password provided below. Completing and returning the Form of Proxy will not preclude you from attending and voting at the Extraordinary General Meeting - and any adjourned meeting - in person if you so wish.

Username: Password:

Your Form of Proxy must arrive by post or be completed online by no later than 9:20am on 21 May 2010.

If you have any queries about the proposal, or require any further information, please contact your financial adviser or call us on 0800 832 832 between 9am and 5pm Monday to Friday.

Yours faithfully



Jim Harris
Head of Investor Services
For and on behalf of
Henderson Global Investors

For your protection telephone calls are recorded and may be monitored.

*Source for all performance figures: Morningstar, nav-nav, Net income reinvested, Net of fees, GBP

NOTES:

1. If you wish to appoint someone other than the Chairman of the meeting, please delete the words 'the Chairman of the meeting' above, and insert the name and address of your appointee in the box provided. This person need not be a unitholder, but must attend the meeting in person to represent you. Any such amendment must be initially by you. If you wish to appoint the Chairman as your proxy, as above, please leave the box blank.
2. Please indicate with a tick how you wish to vote in respect of the resolution. If the Form of Proxy is signed and returned without any specific direction as to voting, the proxy is therefore directed to vote or abstain from voting as he or she thinks fit. You have a vote for each unit you hold in Henderson Cautious Portfolio Unit Trust. If you do not wish to vote the same way in respect of all your units, please contact us.
3. To be valid, each Form of Proxy together with the authority (if any) under which it is signed (or a notarially certified copy of that authority) must be returned together 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 CM6 1HD to be received not less than 72 hours before the time set for the meeting.
4. In the case of a body corporate this Form of Proxy must be executed under seal or signed on its behalf by an officer as attorney authorised in writing.
5. In the case of joint unitholders any such unitholder may sign, but in the event of more than one tendering votes, the vote of the senior who votes, whether in person or by proxy, must be accepted to the exclusion of the other joint unitholders. For this purpose, seniority must be determined by the order in which the names stand in the register of unitholders.
6. The completion and return of a Form of Proxy will not preclude a unitholder from attending and voting at the meeting.
7. 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 as the aggregate price or prices of all units of that class in issue. A unitholder entitled to more than one vote need not, if he votes, use all his votes, or cast all the votes he uses in the same way.