

28 July 2014

Unitholder:

Dear Investor

## **Advance notice of changes to the Henderson Global Strategic Capital Unit Trust**

We are writing to you to provide you with advance notice of some changes to be made to the Henderson Global Strategic Capital Unit Trust (the "Fund"). This will involve increasing the flexibility of the investment policy in terms of the types of investments that can be made and altering the name of the Fund. We are also moving the Fund to a single pricing basis. We believe the changes will be beneficial to investors over the long term.

We have agreed with the Fund's Trustee that these changes can be made on giving you 60 days' advance notice because there is no change to the nature and purpose of the Fund or to its risk profile.

### **Revised investment policy**

The current investment policy of the Fund is as follows:

*The Fund will invest worldwide principally in a managed portfolio of investment trust shares and other closed-ended vehicles. The Fund may also invest in exchange traded funds, unregulated collective investment schemes (which include limited partnerships), money-market instruments, and deposits.*

We propose to change this to the following:

*The Fund will invest worldwide in a combination of Collective Investment Schemes (including Exchange Traded Funds) and investment trust shares and other closed-ended vehicles. The Fund may also invest in money market instruments, cash and near cash and deposits.*

*Derivatives and forward transactions may be used for the purposes of Efficient Portfolio Management (EPM).*

The change will broaden the type of investments that the Fund can hold, removing the restriction that the Fund invests at least 80% of the portfolio in investment trust (or other closed-ended company) shares. In future, the Fund would be allowed to invest in a combination of fund types, including open-ended investment companies (OEICs) and unit trusts.

The Fund will continue to seek capital growth from investing globally and will retain a significant exposure to closed-ended funds; for example, we anticipate closed-ended funds typically making up around 50% of the Fund. Closed-ended funds and open-ended funds are similar in that they are both investment vehicles that pool investors' money to provide exposure to a professionally managed portfolio of investments. The differences lie primarily with the structure of these vehicles, details of which are included in the addendum to this letter.

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Open-ended funds tend to be slightly more costly than closed-ended funds but we believe that this additional cost is offset by the benefits the Fund will receive in terms of greater diversification, investment choice and liquidity. Additionally, the Fund will benefit from the broader Henderson Multi-Asset team's proven experience in researching and analysing open-ended funds.

The additional sentence relating to the use of derivatives and forward transactions within the new wording of the investment policy is intended to make the policy more transparent but is otherwise purely administrative. The Fund has always been able to use derivatives and forward transactions for the purposes of Efficient Portfolio Management but our regulator, the Financial Conduct Authority, prefers that this is now included in the main body of the investment policy.

#### **Name change**

On 29 September 2014, the name of the Fund will be changed to the **Henderson Multi-Manager Global Select Fund**. This name better reflects the Fund's place within the family of multi-manager funds that Henderson offers, while re-affirming its global investment remit. The Fund will also move from the Investment Management Association (IMA) Flexible Investment sector, a catch-all sector that makes peer group performance comparisons difficult for investors, to the IMA Global sector, which should allow investors to compare the performance of the Fund more appropriately.

#### **Single pricing basis**

To bring the Fund in line with the other multi-manager funds, we will also move the Fund onto a single pricing basis (where purchases and redemptions of units in the Fund are typically transacted at the mid-price between the offer and bid price), rather than having dual bid and offer prices. This will have no impact on the value of the Fund or on the number of units that you hold. Further details on the pricing basis are included in the addendum to this letter.

#### **When will the changes take place?**

On 29 September 2014, we will automatically change the wording of the current investment policy, which is set out in the Prospectus and the Trust Deed of the Fund, to the revised policy. The Fund name change and pricing basis change will also take place on this date.

You do not need to take any action but if you are not happy with the changes you are free to switch into one of our other funds or redeem your units. **We will not make any charges if you decide to switch or redeem your units but a switch into another fund or a redemption will be a disposal for capital gains tax purposes and you may incur a capital gains tax liability.** Please consult your financial adviser if you have any questions regarding your ongoing investment in the Fund.

We will pay all the administrative costs incurred in relation to the changes described above. There will be some one-off transaction costs associated with the portfolio realignment, which would be borne by the Fund as per any realignment by the fund manager. These are expected to be minimal, accounting for an estimated 0.04% of the Fund's value.

The Financial Conduct Authority has confirmed to us by letter that the implementation of these changes will not affect the authorisation of the Fund.

If you wish to speak to us about the Henderson Global Strategic Capital Unit Trust or any other Henderson investment, please contact our client services team on 0800 832 832 between 9am and 5.30pm Monday to Friday. Please note that we are not permitted to give you any advice about your investments.

Yours sincerely,



Martyn Bailey  
Head of Client Services  
For and on behalf of  
**Henderson Global Investors**

Enc. Addendum (one sheet)