

# CIRCULAR

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to what action you should take, you should consult your stockbroker, solicitor, accountant or other professional adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if not, from another appropriately independent financial adviser in your own jurisdiction.

If you have sold or transferred, or otherwise disposed of, all your shares in Henderson High Income Trust plc, please pass this circular and the accompanying Form of Proxy to the stockbroker, bank or other agent through whom you made the sale, transfer or disposal, for transmission to the purchaser or transferee, except that such documents should not be sent to any jurisdiction under any circumstances where to do so might constitute a violation of local securities laws and regulations. If you have sold or transferred, or otherwise disposed of, only part of your holding of shares in Henderson High Income Trust plc, you should retain this circular and accompanying Form of Proxy and consult the stockbroker, bank or other agent through whom you made the sale, transfer or disposal.

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# Henderson High Income Trust plc

(Incorporated in England and Wales with registered number 2422514;  
an investment company under Section 833 of the Companies Act 2006)

## Notice of General Meeting

### Proposal to adopt new Articles of Association

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The attention of shareholders is drawn to the Notice of General Meeting that is set out on pages 4 and 5 of this circular, and to the accompanying Form of Proxy. Those who hold their shares through one of the products managed by Henderson Global Investors Limited should note that they are sent a coloured Voting Instruction Form rather than a Form of Proxy. The General Meeting will be held at 10.30 am on Tuesday 23 September 2008 at 4 Broadgate, London EC2M 2DA. The attention of shareholders is also drawn to the Chairman's Statement on pages 2 and 3 which includes the Board's recommendation that shareholders vote in favour of the resolution set out in the Notice.

# HENDERSON HIGH INCOME TRUST PLC

(Incorporated in England and Wales with registered number 2422514;  
an investment company under Section 833 of the Companies Act 2006)

Hugh Twiss (Chairman)  
Vivian Bazalgette  
Andrew Bell  
Margaret Littlejohns  
Anthony Newhouse  
Janet Walker

Registered Office  
4 Broadgate  
London  
EC2M 2DA  
Tel: 020 7818 1818

29 July 2008

Dear Shareholder,

As announced in our half year results, we are proposing to adopt new articles of association (the "New Articles") in order to update the Company's current Articles of Association (the "Current Articles") to reflect the provisions of the Companies Act 2006 that are scheduled for implementation this year. I am now writing to describe the changes and to give details of the General Meeting at which you will be invited to approve them.

The principal changes are summarised as follows:

## **1. Articles which duplicate statutory provisions**

Provisions in the Current Articles which replicate provisions contained in the Companies Act 2006 will in the main be removed. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution. Examples include provisions as to the form of resolutions, the variation of class rights, the requirement to keep accounting records and provisions regarding the period of notice required to convene general meetings. The main changes to reflect this approach are detailed below.

## **2. Form of resolution**

The Current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is being removed as the concept of extraordinary resolutions has not been retained under the Companies Act 2006. Furthermore, the remainder of the provision is reflected in full in the Companies Act 2006.

The Current Articles enable members to act by written resolution. Under the Companies Act 2006 public companies can no longer pass written resolutions. These provisions will therefore be removed in the New Articles.

## **3. Convening general meetings**

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings will be removed in the New Articles because the relevant matters are provided for in the Companies Act 2006. In particular, a general meeting (other than the annual general meeting) to consider a special resolution will be able to be convened on 14 days' notice whereas in the existing Articles 21 days' notice is required.

## **4. Votes of members**

Under the Companies Act 2006 proxies are entitled to vote on a show of hands whereas under the Current Articles proxies are only entitled to vote on a poll. This restriction will be removed in the New Articles.

The time limits for the appointment or termination of a proxy have been altered by the Companies Act 2006 so that articles of association cannot provide that they should be received more than 48 hours before the meeting or (in the case of a poll taken more than 48 hours after the meeting) more than 24 hours before the time for the taking of a poll. The Companies Act 2006 also permits weekends and bank holidays to be excluded for the purposes of calculating these time limits. The New Articles give the directors discretion, when calculating the time limits, to exclude weekends and bank holidays. Furthermore, multiple proxies will be permitted provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the shareholder.

## **5. Age of directors**

The Current Articles contain a provision requiring special procedures for directors aged 70 or more. Such a provision could now fall foul of the Employment Equality (Age) Regulations 2006 and so it is being removed in the New Articles.

## **6. Conflicts of interest**

The Companies Act 2006 sets out directors' general duties which largely codify the existing law but with some changes. A director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the Company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another investment trust (or other company) or a trustee of another organisation. The Companies Act 2006 allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the articles of association contain a provision to this effect. The Companies Act 2006 also allows the articles of association to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The New Articles give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles will contain provisions relating to confidential information, attendance at Board meetings and availability of Board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the directors. It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers of authorisation of conflicts are operated effectively and that the procedures have been followed.

## **7. Notice of Board meetings**

Under the Current Articles, when a director is abroad he can request that notice of directors' meetings are sent to him at a specified address and if he does not do so he is not entitled to receive notice while he is away. This provision will be removed, as modern communications mean that there may be no particular obstacle to giving notice to a director who is abroad.

## **8. Records to be kept**

The provision in the Current Articles requiring the Board to keep accounting records will be removed as this requirement is contained in the Companies Act 2006.

## **9. Distribution of assets otherwise than in cash**

The Current Articles contain provisions dealing with the distribution of assets in kind in the event of the Company going into liquidation. These provisions will be removed in the New Articles on the grounds that a provision about the powers of liquidators is a matter for insolvency law rather than the articles and that the Insolvency Act 1986 confers powers on the liquidator which would enable it to do what is envisaged by the Current Articles.

## **10. Electronic and web communications**

Provisions of the Companies Act 2006 which came into force in January 2007 enable companies to communicate with members by electronic and/or website communications. The New Articles allow communications to members in electronic form and, in addition, permit the Company to take advantage of the new provisions relating to website communications. Before the Company can communicate with a member by means of website communication, the relevant member must be asked individually by the Company to agree that the Company may send or supply documents or information to him by means of a website and the Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. The Company will notify the member (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information.

There are a number of other changes of a minor, technical or clarifying nature or which merely reflect changes made by the Companies Act 2006 and the opportunity has also been taken to introduce clearer language and formatting in a number of places. To be implemented, the changes require the approval of a Special Resolution and a suitable resolution will be proposed at a General Meeting to be held at 4 Broadgate, London EC2M 2DA on 23 September 2008 at 10.30 am (the formal notice for which appears in the Appendix overleaf). A copy of the proposed New Articles of Association is available for inspection at the Company's registered office until the close of the Meeting.

**The directors unanimously recommend that you vote in favour of the Special Resolution, as they intend to do in respect of their own shareholdings.**

Yours faithfully

**Hugh Twiss**  
Chairman

# Appendix

## HENDERSON HIGH INCOME TRUST PLC

(Company number 2422514)

### NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of HENDERSON HIGH INCOME TRUST PLC will be held at 4 Broadgate, London EC2M 2DA on 23 September 2008 at 10.30 am for the purpose of considering the following resolution, which will be proposed as a Special Resolution.

“That the Articles of Association produced to the Meeting and initialled by the Chairman of the Meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.”

Registered office:  
4 Broadgate  
London  
EC2M 2DA

By order of the Board  
Henderson Secretarial Services Limited  
Secretary

29 July 2008

Notes:

1. A shareholder entitled to attend and vote is entitled to appoint a proxy or proxies (who need not be a shareholder of the Company) to exercise all or any of his rights to attend, speak and vote at the Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. A form of proxy is enclosed for use by shareholders. Completion and return of the form of proxy will not prevent a shareholder from subsequently attending the Meeting and voting in person if they so wish.
3. To be effective, the instrument appointing a proxy, and any power of attorney or other authority under which it is signed (or a copy of any such authority certified notarially or in some other way approved by the directors), must be deposited with Computershare Investor Services PLC not less than 48 hours before the time for holding the Meeting or adjourned Meeting or, in the case of a poll taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for the taking of the poll at which it is to be used.
4. In the case of joint holders, the vote of the senior who tenders the vote 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.
5. In accordance with Section 325 of the Companies Act 2006 (“2006 Act”) the right to appoint proxies does not apply to persons nominated to receive information rights under Section 146 of the 2006 Act. Persons nominated to receive information rights under Section 146 of the 2006 Act who have been sent a copy of this Notice of Meeting are hereby informed, in accordance with Section 149(2) of the 2006 Act, that they may have the right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this Meeting. If they have no 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.

6. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those shareholders registered in the Register of Members of the Company at close of business on 21 September 2008 shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to the Register of Members after close of business on 21 September 2008 shall be disregarded in determining the rights of any person to attend and vote at the Meeting. If the Meeting is adjourned, then only those shareholders registered in the Register of Members of the Company at close of business on the day two days before the time fixed for the adjourned meeting, or, if the Company has given notice of the adjourned meeting, at any other time specified in that notice, shall be entitled to attend and vote at the adjourned meeting in respect of the number of shares registered in their name at that time.
7. In order to facilitate voting by corporate representatives at the Meeting, arrangements will be put in place at the Meeting so that (i) if a corporate shareholder has appointed the Chairman of the Meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the Meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the Meeting but the corporate shareholder has not appointed the Chairman of the Meeting as its corporate representative, a designated corporate representative will be nominated from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of appointment letter if the Chairman is being appointed as described in (i) above.
8. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent (ID number 3RA50) by 10.30 am on 21 September 2008. 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. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. In any case proxy forms must be received by the Company's Registrars no later than 10.30 am on 21 September 2008.
9. Shareholders and any proxies or representatives they appoint agree by attending the Meeting that they are expressly agreeing that they are willing to receive any communications, including communications relating to the Company's securities, made at the Meeting.
10. A copy of the Articles of Association to be produced to the Meeting will be available for inspection at the Company's registered office from the date of this Notice until the close of the Meeting.
11. No director has a service contract with the Company.
12. Total voting rights: as at 29 July 2008 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consisted of 85,435,744 ordinary shares. Each share has one vote. Therefore the total number of voting rights in the Company at 29 July 2008 is 85,435,744.

