

To: Shareholders of the Sentinel Small/Mid Cap Fund
From: Sentinel Administrative Services, Inc.
Re: Liquidation of the Sentinel Small/Mid Cap Fund and distribution of proceeds to shareholders.

Please be advised that the Board of Directors of the Sentinel Group Funds, Inc. has approved a plan to liquidate the assets of the Sentinel Small/Mid Cap Fund and distribute the proceeds to investors. This decision was determined to be in the best interests of the shareholders.

Liquidation timetable:

- As part of the plan to liquidate the assets of the fund, shares of the Sentinel Small/Mid Cap Fund will be closed to new investors, new purchases and exchanges at the close of business on January 15, 2010.
- Then, on or about January 29, 2010, the assets of the fund will be liquidated, and each shareholder's shares will be redeemed at the then-current net asset value.
- Once the liquidation is completed, the proceeds will be distributed to shareholders on or about February 1, 2010.

Special considerations for shares held in an Individual Retirement Account (IRA) or qualified plan:

If the investment in the fund is held in an IRA or qualified plan, please be advised that the distribution of fund proceeds may be deemed a taxable event unless a rollover, transfer of assets, or fund substitution to another qualified investment is initiated prior to closing. Please note that in the absence of instructions to rollover or transfer of assets, the distribution may be taxable as ordinary income and be subject to IRS-mandated tax withholding of 10%. PLEASE DO NOT DELAY. Review and consider reallocation of your portfolio online at www.sentinelinvestments.com. Contact your investment advisor or Sentinel Service at the number below for assistance.

Exchange privileges available to Small/Mid Cap Fund shareholders:

As an alternative to receiving liquidation proceeds from the Sentinel Small/Mid Cap Fund, shareholders may exchange their shares into the same class of shares of any of the other funds managed by Sentinel, without incurring an additional sales charge. Investors should consult their financial professionals to determine which fund is appropriate for their individual investment needs.

Please note that the fund's exchange privileges are outlined in the prospectus dated March 31, 2009, supplemented November 16, 2009, as further supplemented. Such exchanges must be completed by the close of business on January 29, 2010.

Attached is the January 4, 2010 Supplement to the Sentinel Funds Prospectus, which describes the upcoming liquidation of the fund. If you have any questions or concerns, please do not hesitate to contact us at 800.282.FUND.

Consider a fund's objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the Fund and is available from your financial advisor or www.sentinelinvestments.com. Please read the prospectus carefully before you invest.

Sentinel Investments is the unifying brand name for Sentinel Financial Services Company, Sentinel Asset Management, Inc., and Sentinel Administrative Services, Inc. Sentinel Funds are distributed by Sentinel Financial Services Company, One National Life Drive, Montpelier, VT 05604, 800.282.FUND, sentinelinvestments.com.