

2017 Legg Mason Tax Guide

IMPORTANT TAX INFORMATION REGARDING YOUR MUTUAL FUNDS

This guide is a summary of tax information for certain Legg Mason, ClearBridge Investments, Brandywine Global, QS Investors, Martin Currie, EnTrustPermal, RARE Infrastructure and Western Asset closed-end, open-end and exchange-traded funds. This information may be useful to you, as an investor, in the preparation of your 2017 Federal and state income tax returns. We recommend that you consult your tax advisor for assistance with how this information will impact your specific tax situation.

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SECTION 1

In this section you will find information for the Western Asset multi-state funds that have paid income dividends which are tax-exempt for regular Federal income tax purposes. The percentages of income earned by the funds from each state or U.S. Territory are listed below.

See Footnotes after Section 5.

Exempt interest income — Multi-state funds												
	Western Asset Intermediate-Term Municipals Fund		Western Asset Managed Municipals Fund		Western Asset Municipal High Income Fund		Western Asset Short Duration Municipal Income Fund		Western Asset SMASH Series TF Fund		Western Asset Select Tax Free Reserves and Western Asset Tax Free Reserves	
Alabama	0.27	%	3.05	%	4.63	%	1.80	%	4.38	%	-	
Alaska	-		0.18		-		1.38		-		-	
Arizona	0.50		0.59		2.40		1.12		3.12		0.35	%
Arkansas	-		-		-		0.11		-		-	
California	15.52		19.97		8.21		3.19		10.91		13.05	
Colorado	4.47		2.46		4.90		2.05		4.57		0.09	
Connecticut	0.14		0.99		-		4.11		0.30		2.30	
Delaware	-		0.42		1.52		0.01		1.14		0.05	
District of Columbia	0.10		0.33		0.96		0.55		0.14		0.28	
Florida	6.11		7.14		2.20		1.93		4.07		7.85	
Georgia	2.83		4.84		0.01		5.32		0.89		4.80	
Guam	-		-		-		-		0.14		-	
Hawaii	-		-		1.63		0.15		-		1.91	
Idaho	-		-		-		-		0.08		0.34	
Illinois	6.46		6.74		6.34		12.22		9.39		4.05	
Indiana	3.55		1.56		2.22		6.28		2.27		1.80	
Iowa	0.92		-		-		-		-		0.84	
Kansas	0.14		0.21		-		0.16		-		-	
Kentucky	0.41		0.54		2.32		1.79		0.09		0.83	
Louisiana	0.88		0.90		0.17		0.04		0.45		-	
Maine	-		-		-		-		-		-	
Maryland	1.22		1.57		7.23		-		-		1.87	
Massachusetts	1.49		3.32		4.90		1.06		4.02		4.91	
Michigan	6.20		4.28		2.52		5.59		0.21		1.32	
Minnesota	0.19		0.41		-		0.14		-		0.12	
Mississippi	0.08		0.09		-		0.20		0.50		0.56	
Missouri	0.87		1.34		1.85		0.37		-		2.90	
Montana	-		-		-		-		-		-	
Nebraska	0.01		0.01		0.01		0.62		-		-	
Nevada	0.67		0.48		0.52		0.70		-		-	
New Hampshire	-		0.12		-		0.38		-		1.03	
New Jersey	5.24		6.56		5.44		8.48		9.25		0.78	
New Mexico	1.24		0.51		0.34		3.31		0.29		-	
New York	8.96		7.21		6.25		9.91		18.68		28.60	
North Carolina	1.83		1.68		0.21		0.55		2.52		1.85	
North Dakota	-		-		-		-		-		0.42	
Ohio	0.15		0.30		1.60		0.71		-		0.17	
Oklahoma	0.18		0.22		2.18		0.01		0.17		-	
Oregon	0.69		0.64		-		0.54		0.04		0.37	
Pennsylvania	3.15		3.26		3.93		7.38		1.66		3.78	
Puerto Rico	-		-		-		-		-		-	
Rhode Island	0.21		0.26		0.03		-		-		0.56	
South Carolina	0.31		0.49		-		0.67		1.40		0.53	
South Dakota	-		0.02		-		-		0.20		0.54	
Tennessee	4.97		1.24		-		0.27		4.48		-	
Texas	12.00		11.15		20.57		12.13		10.69		5.04	
U.S. Virgin Islands	0.70		0.58		1.60		-		0.84		-	
Utah	0.16		0.22		0.09		-		0.12		0.89	
Vermont	0.12		0.12		-		0.02		0.34		0.04	
Virginia	1.56		1.20		1.89		1.94		1.83		1.34	
Washington	2.40		1.14		0.23		1.08		0.71		3.36	
West Virginia	0.92		0.33		-		0.38		-		0.01	
Wisconsin	1.46		1.04		1.10		0.87		0.01		-	
Wyoming	0.69		0.29		-		0.01		0.06		0.47	
Other U.S. Territories	0.03		-		-		0.47		0.04		-	
Alternative Minimum Tax Percentage:	9.50	%	6.77	%	9.21	%	19.19	%	8.21	%	14.59	%

SECTION 1

In this section you will find information for the Western Asset multi-state funds that have paid income dividends which are tax-exempt for regular Federal income tax purposes. The percentages of income earned by the funds from each state or U.S. Territory are listed below.

See Footnotes after Section 5.

Exempt interest income — Multi-state funds

	Western Asset Intermediate Muni Fund Inc. (SBI)	Western Asset Managed Municipals Fund Inc. (MMU)	Western Asset Municipal Defined Opportunity Trust Inc. (MTT)	Western Asset Municipal High Income Fund Inc. (MHF)	Western Asset Municipal Partners Fund Inc. (MNP)
Alabama	0.88 %	4.87 %	3.33 %	6.18 %	1.23 %
Alaska	-	-	-	-	0.83
Arizona	2.82	2.98	2.75	3.18	1.63
Arkansas	-	-	-	-	-
California	13.13	14.29	3.47	9.82	13.38
Colorado	4.53	8.53	3.97	4.91	5.19
Connecticut	0.78	0.01	0.01	-	0.02
Delaware	-	-	-	1.34	-
District of Columbia	0.03	1.82	0.03	1.52	0.04
Florida	5.94	7.15	2.03	2.32	4.90
Georgia	4.30	3.56	7.81	2.95	-
Guam	-	-	-	-	-
Hawaii	-	0.89	-	1.62	-
Idaho	-	-	-	-	-
Illinois	7.10	8.57	3.66	4.54	6.59
Indiana	6.25	2.90	7.64	1.68	1.45
Iowa	-	-	-	-	-
Kansas	-	-	-	-	-
Kentucky	-	-	-	1.55	-
Louisiana	2.01	0.51	4.60	0.11	0.78
Maine	-	-	-	-	-
Maryland	0.26	-	4.10	2.37	0.59
Massachusetts	0.41	4.32	0.08	1.55	1.95
Michigan	3.99	3.40	11.66	3.84	3.68
Minnesota	-	0.15	-	-	-
Mississippi	-	-	-	-	-
Missouri	-	1.96	0.02	2.42	1.29
Montana	-	-	-	-	-
Nebraska	0.01	0.24	0.01	2.09	0.01
Nevada	2.70	1.58	-	0.50	-
New Hampshire	4.15	-	-	-	-
New Jersey	8.67	5.80	6.75	5.50	7.29
New Mexico	0.79	0.77	-	-	-
New York	5.07	9.64	6.79	3.48	16.99
North Carolina	1.11	0.26	0.27	0.28	2.22
North Dakota	-	-	-	-	-
Ohio	0.01	1.24	-	0.39	1.92
Oklahoma	1.80	0.10	0.09	1.29	1.21
Oregon	0.66	0.26	0.19	0.40	0.67
Pennsylvania	1.89	1.61	5.09	4.46	5.34
Puerto Rico	-	-	-	-	-
Rhode Island	-	0.89	5.16	-	-
South Carolina	-	0.34	-	-	-
South Dakota	-	0.02	-	-	0.02
Tennessee	4.73	0.04	-	-	3.56
Texas	6.63	9.33	11.68	24.01	9.94
U.S. Virgin Islands	0.64	0.55	2.01	2.11	0.64
Utah	0.12	0.10	0.07	0.12	0.10
Vermont	-	-	-	-	-
Virginia	4.36	1.00	0.93	2.34	0.37
Washington	1.39	0.13	0.54	0.07	2.40
West Virginia	-	-	-	-	-
Wisconsin	2.83	0.19	5.26	1.06	3.77
Wyoming	-	-	-	-	-
Other U.S. Territories	0.01	-	-	-	-
Alternative Minimum Tax Percentage:	12.93 %	12.60 %	8.41 %	14.90 %	9.45 %

SECTION 2

In this section you will find information for the Western Asset single state funds that have paid income dividends which are tax-exempt for regular Federal income tax purposes.

See Footnotes after Section 5.

Exempt interest income — Single state funds						
Fund Name	Specified state	Percentage of income from obligations exempt in specified state	Percentage of income from obligations of Puerto Rico, U.S. Virgin Islands and Guam	Percentage of income from obligations of other states	Alternative Minimum Tax Percentage	
Western Asset California Municipals Fund	California	98.38 %	1.56 %	0.06 %	2.97 %	
Western Asset California Tax Free Money Market Fund (a)	California	99.99	-	0.01	17.46	
Western Asset Intermediate Maturity California Municipals Fund	California	95.16	4.76	0.08	0.07	
Western Asset Intermediate Maturity New York Municipals Fund	New York	95.48	4.50	0.02	9.02	
Western Asset Massachusetts Municipals Fund	Massachusetts	97.63	2.05	0.32	-	
Western Asset New Jersey Municipals Fund	New Jersey	97.64	2.20	0.16	14.57	
Western Asset New York Municipals Fund	New York	95.87	4.13	-	9.70	
Western Asset New York Tax Free Money Market Fund	New York	100.00	-	-	17.65	
Western Asset Oregon Municipals Fund	Oregon	98.17	1.37	0.46	1.84	
Western Asset Pennsylvania Municipals Fund	Pennsylvania	98.73	1.14	0.13	2.67	

SECTION 3

Certain states may exempt the portion of dividends (reported in Box 1a on Form 1099-DIV) derived from assets backed by the full faith and credit of the U.S. Government.*

The table below provides the percentages of those dividends available for this exclusion. Only those Funds that appear in this section have distributed income that qualifies for this exclusion.

See Footnotes after Section 5.

Income from Federal obligations	
Fund Name	Percentage
BrandywineGLOBAL - Alternative Credit Fund (b)	1.05 %
BrandywineGLOBAL - Global Flexible Income Fund (c)	2.15
BrandywineGLOBAL - Global Opportunities Bond Fund (d)	7.19
BrandywineGLOBAL - Global Unconstrained Bond Fund (e)	8.70
QS Conservative Growth Fund	7.65
QS Defensive Growth Fund	10.38
QS Growth Fund	1.78
QS Moderate Growth Fund	3.96
QS Strategic Real Return Fund	32.65
Western Asset Adjustable Rate Income Fund	0.99
Western Asset Core Bond Fund	22.59
Western Asset Core Plus Bond Fund	19.08
Western Asset Corporate Bond Fund	2.54
Western Asset Government Reserves	40.38
Western Asset Global High Income Fund Inc. (EHI) (f)	1.09
Western Asset Global High Yield Bond Fund (f)	0.78
Western Asset High Income Fund II Inc. (HIX) (f)	0.93
Western Asset Income Fund (PAI)	0.72
Western Asset Inflation Indexed Plus Bond Fund **	89.63
Western Asset Institutional Government Reserves	39.87
Western Asset Institutional Liquid Reserves	0.39
Western Asset Institutional U.S. Treasury Obligations Money Market Fund **	68.86
Western Asset Institutional U.S. Treasury Reserves **	100.00
Western Asset Intermediate Bond Fund	27.63
Western Asset Macro Opportunities Fund	11.20
Western Asset Mortgage Back Securities Fund	0.82
Western Asset Premier Bond Fund (WEA)	1.17
Western Asset Premium Liquid Reserves	0.80
Western Asset Premium U.S. Treasury Reserves **	99.65
Western Asset Short-Term Bond Fund	1.51
Western Asset SMASh Series C Fund	3.52
Western Asset SMASh Series EC Fund	2.60
Western Asset SMASh Series M Fund	36.71
Western Asset Total Return Unconstrained Fund	10.73
Western Asset U.S. Treasury Reserves **	99.81

* Includes U.S. Treasury Bills, U.S. Treasury Notes, U.S. Treasury Bonds, and obligations issued by the Federal Home Loan Bank, Federal Credit Banks and the Student Loan Marketing Association.

** These Funds have met the quarterly asset requirements for California, Connecticut and New York resident shareholders.

SECTION 4

This information is provided for those shareholders electing to take the foreign tax credit for Federal income tax purposes.

Shareholders taking an itemized deduction for foreign taxes paid: Include the amount shown in Box 6 on Form 1099-DIV as an itemized deduction on Schedule A (Form 1040).

Shareholders electing to claim the Foreign Tax Credit on either Form 1116 ("Foreign Tax Credit") for individuals, or Form 1118 ("Foreign Tax Credit -corporations") for corporate shareholders: Please note that shareholders claiming a foreign tax credit on income passed through from a mutual fund are no longer required to report foreign source income and foreign taxes paid on a country-by-country basis. Corporate shareholders, please refer to the 2017 Distribution Reclassifications which may be found in the Tax Center of the Legg Mason website for the per share amount of the Foreign Withholding Taxes paid. Please refer to the instructions for Form 1116 or 1118 and consult your tax advisor for further assistance.

See Footnotes after Section 5.

Foreign source income				
Fund Name	Payable Date	Percentage of Income from Foreign Sources		Percentage of Income from Foreign Source Dividends (3)
BrandywineGLOBAL - Global Opportunities Bond Fund (d)	Quarterly March - December	42.55 %	(1)	-
BrandywineGLOBAL - Global Unconstrained Bond Fund (e)	Quarterly March - September	80.29	(2)	-
	12/21/2017	75.88	(2)	-
ClearBridge International Growth Fund	12/20/2017	99.67	(1)	99.67 %
ClearBridge International Small Cap Fund	12/20/2017	48.38	(1)	46.40
ClearBridge International Value Fund	12/07/2017	99.41	(1)	99.41
Legg Mason Developed ex-US Diversified Core ETF (DDBI)	12/29/2017	91.46	(1)	91.46
Legg Mason Emerging Markets Diversified Core ETF (EDBI)	12/29/2017	67.21	(1)	51.68
Legg Mason Emerging Markets Low Volatility High Dividend ETF (LVHE)	Quarterly March - September	100.00	(2)	59.50
	12/29/2017	59.04	(2)	35.37
Legg Mason Global Infrastructure ETF (INFR)	Quarterly April - October	72.89	(2)	72.89
	12/29/2017	8.39	(2)	8.39
Legg Mason International Low Volatility High Dividend ETF (LVHI)	Quarterly March - September	86.23	(2)	70.56
	12/29/2017	92.67	(2)	86.11
Martin Currie Emerging Markets Fund	12/20/2017	100.00	(1)	70.53
Martin Currie International Unconstrained Equity Fund	12/06/2017	87.36	(2)	80.37
	12/20/2017	88.63	(2)	83.29
QS Conservative Growth Fund	03/31/2017	2.88	(2)	2.88
	Quarterly June - December	4.17	(2)	4.17
QS Defensive Growth Fund	03/31/2017	3.13	(2)	3.13
	Quarterly June - December	5.75	(2)	5.75
QS Dynamic Multi-Strategy Fund (g)	06/13/2017	11.95	(1)	11.95
QS Growth Fund	06/13/2017	59.01	(2)	59.01
	12/28/2017	17.85	(2)	17.85
QS International Dividend Fund	Quarterly March - September	97.79	(2)	96.86
	12/21/2017	82.79	(2)	82.79
QS International Equity Fund	12/06/2017	88.66	(1)	88.66

SECTION 4

This information is provided for those shareholders electing to take the foreign tax credit for Federal income tax purposes.

Shareholders taking an itemized deduction for foreign taxes paid: Include the amount shown in Box 6 on Form 1099-DIV as an itemized deduction on Schedule A (Form 1040).

Shareholders electing to claim the Foreign Tax Credit on either Form 1116 ("Foreign Tax Credit") for individuals, or Form 1118 ("Foreign Tax Credit -corporations") for corporate shareholders: Please note that shareholders claiming a foreign tax credit on income passed through from a mutual fund are no longer required to report foreign source income and foreign taxes paid on a country-by-country basis. Corporate shareholders, please refer to the 2017 Distribution Reclassifications which may be found in the Tax Center of the Legg Mason website for the per share amount of the Foreign Withholding Taxes paid. Please refer to the instructions for Form 1116 or 1118 and consult your tax advisor for further assistance.

See Footnotes after Section 5.

Foreign source income					
Fund Name	Payable Date	Percentage of Income from Foreign Sources		Percentage of Income from Foreign Source Dividends (3)	
QS Moderate Growth Fund	06/13/2017	1.28	% (2)	1.28	%
	12/28/2017	10.81	(2)	10.81	
RARE Global Infrastructure Value Fund	Quarterly March - September	57.83	(2)	57.83	
	12/20/2017	26.03	(2)	26.03	

- (1) To determine your share of the Fund's foreign source income, multiply the total foreign source percentage indicated by the amount shown in Box 1a of Form 1099-DIV.
- (2) To determine your share of the Fund's foreign source income, multiply the total foreign source percentage indicated by the distribution received on the indicated date. **Do not multiply this percentage by the amount shown on Box 1a of Form 1099-DIV.**
- (3) As a result of lower tax rates on qualified dividends, in computing your foreign tax credit, you may need to make certain adjustments based on your foreign source qualified dividends. To compute your amount of foreign source qualified dividends, multiply the Percentage of Income from Foreign Source Dividends by the amount shown in Box 1a of Form 1099-DIV.

SECTION 5

The list below provides **corporate shareholders** with the percentages of their gross ordinary dividends that qualify for the dividends received deduction for corporations. Only those Funds that appear in this section have distributed income that qualifies for this deduction.

See Footnotes after Section 5.

Dividends Received Deduction for Corporations

Fund Name	Payable Date	Qualifying Percentage	Payable Date	Qualifying Percentage
BrandywineGLOBAL - Diversified US Large Cap Value Fund (h)	12/06/2017	100.00 %	–	
BrandywineGLOBAL - Dynamic US Large Cap Value Fund (i)	12/06/2017	52.97	–	
ClearBridge Aggressive Growth Fund	12/20/2017	100.00	–	
ClearBridge All Cap Growth ETF (CACG)	12/29/2017	100.00	–	
ClearBridge All Cap Value Fund	12/07/2017	90.14	–	
ClearBridge Appreciation Fund	12/06/2017	100.00	–	
ClearBridge Dividend Strategy ESG ETF (YLDE)	Quarterly June - September	88.03	12/29/2017	73.30 %
ClearBridge Dividend Strategy Fund	Quarterly March - December	100.00	–	
ClearBridge Energy MLP & Infrastructure Fund	Quarterly March - December	100.00	–	
ClearBridge Global Healthcare Innovations Fund	12/06/2017	21.67	12/20/2017	28.36
ClearBridge International Growth Fund	12/20/2017	4.54	–	
ClearBridge Large Cap Growth ESG ETF (LRGE)	12/29/2017	100.00	–	
ClearBridge Large Cap Growth Fund	12/07/2017	100.00	–	
ClearBridge Large Cap Value Fund	Quarterly March - December	100.00	–	
ClearBridge Mid Cap Fund	12/06/2017	100.00	12/20/2017	41.25
ClearBridge Select Fund	12/06/2017	27.30	–	
ClearBridge Small Cap Fund	12/06/2017	24.66	–	
ClearBridge Small Cap Value Fund	12/07/2017	28.58	–	
ClearBridge Sustainability Leaders Fund	12/06/2017	100.00	–	
ClearBridge Tactical Dividend Income Fund (j)	Quarterly March - September	100.00	12/21/2017	30.15
ClearBridge Value Trust	12/06/2017	100.00	–	
EnTrustPermal Alternative Core Fund (j)	06/13/2017	20.49	–	
Legg Mason Global Infrastructure ETF (INFR)	Quarterly April - October	31.51	12/29/2017	30.21
Legg Mason Low Volatility High Dividend ETF (LVHD)	Quarterly March through September	79.07	12/29/2017	66.41
Legg Mason Small-Cap Quality Value ETF (SQLV)	12/29/2017	100.00	–	

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Dividends Received Deduction for Corporations

Fund Name	Payable Date	Qualifying Percentage	Payable Date	Qualifying Percentage
Legg Mason US Diversified Core ETF (UDBI)	12/29/2017	82.76 %	–	
LMP Capital and Income Fund Inc. (SCD) (j)	Quarterly March through September	100.00	12/29/2017	4.40 %
Martin Currie International Unconstrained Equity Fund	12/06/2017	6.15	12/20/2017	–
QS Conservative Growth Fund	03/31/2017	17.99	Quarterly June - December	29.13
QS Defensive Growth Fund	03/31/2017	9.29	Quarterly June - December	16.88
QS Dynamic Multi-Strategy Fund (g)	06/13/2017	100.00	–	
QS Global Dividend Fund (k)	Quarterly March through September	70.27	12/21/2017	49.32
QS Global Equity Fund	12/06/2017	97.61	–	
QS Global Market Neutral Fund	12/20/2017	12.82	–	
QS Growth Fund	06/13/2017	94.64	12/28/2017	43.27
QS Moderate Growth Fund	06/13/2017	22.16	12/28/2017	36.75
QS S&P 500 Index Fund	12/06/2017	100.00	–	
QS Strategic Real Return Fund	12/20/2017	25.49	–	
QS U.S. Large Cap Equity Fund	12/20/2017	94.10	–	
QS U.S. Small Capitalization Equity Fund	06/13/2017	40.92	12/20/2017	100.00
RARE Global Infrastructure Value Fund	Quarterly March through September	13.22	12/21/2017	16.28
Western Asset Adjustable Rate Income Fund	Monthly January through June	6.74	Monthly August through December	5.87
	07/31/2017	6.41	–	
Western Asset Core Bond Fund	01/31/2017	0.92	Monthly February through December	0.76
Western Asset Core Plus Bond Fund	01/31/2017	2.14	Monthly February through December	1.04
Western Asset Global Corporate Defined Opportunity Fund Inc. (GDO)	Monthly January through May	4.06	Monthly August through December	7.77
	07/03/2017	7.12	–	
Western Asset Global High Income Fund Inc. (EHI) (j)	Monthly January through May	1.45	Monthly June through December	0.67
Western Asset Global High Yield Bond Fund (j)	Monthly January through December	0.77	–	
Western Asset Global Strategic Income Fund (j)	Monthly January through July	2.74	Monthly August through December	1.15
Western Asset High Income Fund II Inc. (HIX) (j)	Monthly January through April	3.11	Monthly May through December	1.22

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The list below provides **corporate shareholders** with the percentages of their gross ordinary dividends that qualify for the dividends received deduction for corporations. Only those Funds that appear in this section have distributed income that qualifies for this deduction.

See Footnotes after Section 5.

Dividends Received Deduction for Corporations

Fund Name	Payable Date	Qualifying Percentage	Payable Date	Qualifying Percentage
Western Asset High Income Opportunity Fund Inc. (HIO) (j)	Monthly January through September	1.10 %	Monthly October through December	0.73 %
Western Asset High Yield Defined Opportunity Fund Inc. (HYI)	Monthly January through June	1.15	Monthly August through December	1.32
	07/03/2017	1.29	—	—
Western Asset High Yield Fund (j)	Monthly January through May	—	Monthly June through December	0.52
Western Asset Income Fund (PAI)	Monthly January through February	3.79	Monthly May through December	2.23
	04/03/2017	2.63	—	—
Western Asset Intermediate Bond Fund	Monthly January through May	0.99	Monthly July through December	0.84
	06/30/2017	0.88	—	—
Western Asset Investment Grade Defined Opportunity Trust Inc. (IGI) (k)	Monthly January through December	3.75	12/29/2017	4.45
Western Asset Macro Opportunities Fund	12/20/2017	4.80	—	—
Western Asset Premier Bond Fund (WEA)	01/27/2017	0.60	Monthly April through December	2.36
	02/24/2017	1.37	—	—
Western Asset Short Duration High Income Fund	Monthly January through July	—	Monthly September through December	0.50
	08/31/2017	0.59	—	—
Western Asset Short-Term Bond Fund	01/31/2017	2.07	Monthly February through December	2.05
Western Asset Total Return Unconstrained Fund	Monthly January through June	1.02	Monthly July through December	—
Western Asset Variable Rate Strategic Fund Inc. (GFY)	Monthly January through September	14.13	Monthly November through December	12.85
	10/02/2017	13.45	—	—

Footnotes

- (a) Western Asset California Tax-Free Money Market Fund redeemed all of its shareholders on July 28, 2017.
- (b) Effective December 29, 2017, the Fund changed its name from Legg Mason BW Alternative Credit Fund.
- (c) Effective December 29, 2017, the Fund changed its name from Legg Mason BW Global Flexible Income Fund
- (d) Effective December 29, 2017, the Fund changed its name from Legg Mason BW Global Opportunities Bond Fund.
- (e) Effective December 29, 2017, the Fund changed its name from Legg Mason BW Absolute Return Opportunities Bond Fund.
- (f) The Fund has made certain reclassifications affecting the tax character of the distributions paid. The Percentage of Income from Federal Obligations is expressed as a percentage of the Ordinary Income per Share after these reclassifications as disclosed in the Fund's Form 8937 - Report of Organizational Actions Affecting the Basis of Securities which may be found in the Tax Center of the Legg Mason website. In order to compute the amount of income from Federal Obligations, a shareholder should multiply the Percentage listed above by the product of the Ordinary Income per share on the Fund's Form 8937 and the number of shares held on the record date of the distribution.
- (g) QS Dynamic Multi-Strategy Fund redeemed all of its shareholders on August 25, 2017.
- (h) Effective December 29, 2017, the Fund changed its name from Legg Mason BW Diversified Large Cap Value Fund.
- (i) Effective December 29, 2017, the Fund changed its name from Legg Mason BW Dynamic Large Cap Value Fund.
- (j) The Fund has made certain reclassifications affecting the tax character of the distributions paid. The Qualifying Percentage is expressed as a percentage of the Ordinary Income per Share after these reclassifications as disclosed in the Fund's Form 8937 - Report of Organizational Actions Affecting the Basis of Securities which may be found in the Tax Center of the Legg Mason website. In order to compute the amount of dividends qualifying for the dividends received deduction, a shareholder should multiply the Qualifying Percentage by the product of the Ordinary Income per Share on the Fund's Form 8937 and the number of shares held on the record date of the distribution.
- (k) The Fund has made certain reclassifications affecting the tax character of the distributions paid. The Qualifying Percentage is expressed as a percentage of the Ordinary Income per Share after these reclassifications as disclosed in the 2017 Distribution Reclassifications which may be found in the Tax Center of the Legg Mason website. In order to compute the amount of dividends qualifying for the dividends received deduction, a shareholder should multiply the Qualifying Percentage by the product of the Ordinary Income per share on the 2017 Distribution Reclassifications and the number of shares held on the record date of the distribution.

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