

## Important 2014 Tax Information Regarding Your Mutual Funds

Managed by WESTERN ASSET

CLEARBRIDGE INVESTMENTS

BRANDYWINE GLOBAL

QS INVESTORS

PERMAL

This guide is a summary of tax information for certain Legg Mason, ClearBridge, Brandywine, QS, Permal and Western Asset closed-end and open-end funds. This information may be useful to you, as an investor, in the preparation of your 2014 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.

### IMPORTANT INFORMATION

**The tax information contained herein is provided for informational purposes only and should not be construed as legal or tax advice.**

Legg Mason, Inc., its affiliates, and its employees are not in the business of providing tax or legal advice to taxpayers. These materials and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any such taxpayer for the purpose of avoiding tax penalties or complying with any applicable tax laws or regulations. Tax-related statements, if any, may have been written in connection with the “promotion or marketing” of the transaction(s) or matter(s) addressed by these materials, to the extent allowed by applicable law. Any such taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax advisor.

***All investments involve risk, including possible loss of principal. Please see the fund prospectus for risk details.***

***Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, which is available at [www.leggmason.com/individualinvestors](http://www.leggmason.com/individualinvestors). Please read it carefully.***

***Please note that an investment in a money market fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.***

***The Closed-End Funds are not sold or distributed by Legg Mason Investor Services, LLC ("LMIS") or any affiliate of Legg Mason, Inc. Shares of the funds are bought and sold through non-affiliated broker/dealers and trade on nationally recognized stock exchanges.***

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## Section 1 - Exempt Interest Income - Multi-State Funds

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 is listed below.

	Western Asset Intermediate-Term Municipals Fund	Western Asset Managed Municipals Fund	Western Asset Municipal High Income Fund and Western Asset Municipal High Income SMASH Fund	Western Asset Short Duration Municipal Income Fund	Western Asset Institutional AMT Free Municipal Money Market Fund	Western Asset Institutional Tax Free Reserves and Western Asset Tax Free Reserves
Alabama	0.39 %	3.39 %	4.04 %	1.94 %	3.03 %	2.73 %
Alaska	-	0.26	-	0.74	0.99	0.03
Arizona	0.11	0.43	1.81	1.17	0.30	1.10
Arkansas	-	-	-	0.10	0.07	-
California	14.83	20.59	9.88	7.05	2.50	4.48
Colorado	3.77	2.43	5.07	2.29	0.60	0.50
Connecticut	0.12	1.07	-	1.77	2.28	3.90
Delaware	-	0.52	1.40	-	0.01	0.28
District of Columbia	-	0.33	0.75	0.11	1.44	0.36
Florida	7.57	8.72	2.45	6.26	3.43	4.70
Georgia	3.40	5.52	1.79	3.19	0.47	5.21
Guam	-	-	-	-	-	-
Hawaii	0.01	-	1.33	0.18	-	-
Idaho	-	-	-	-	-	0.02
Illinois	2.35	3.49	5.17	7.29	8.33	5.89
Indiana	3.85	1.48	1.93	2.45	2.17	1.30
Iowa	2.66	1.38	1.91	3.07	0.17	0.91
Kansas	0.15	-	-	0.02	0.08	0.08
Kentucky	0.36	0.96	2.29	0.93	1.08	2.09
Louisiana	0.83	0.74	0.38	0.08	3.06	0.36
Maine	-	-	-	-	0.18	-
Maryland	1.27	1.79	6.75	0.09	0.72	0.83
Massachusetts	1.01	2.37	4.05	1.10	1.87	2.02
Michigan	8.44	4.34	3.38	7.43	0.36	0.32
Minnesota	1.02	0.38	-	0.12	1.23	0.66
Mississippi	-	0.09	-	0.08	0.20	0.94
Missouri	1.09	1.57	1.21	0.25	0.98	3.12
Montana	-	-	-	-	0.05	0.07
Nebraska	-	-	-	0.41	0.13	0.26
Nevada	0.91	0.54	-	0.01	-	0.09
New Hampshire	-	0.20	-	0.29	0.32	0.13
New Jersey	4.45	7.61	4.68	7.03	10.26	11.27
New Mexico	1.45	0.58	0.78	0.36	0.01	-
New York	6.10	4.29	5.63	11.27	28.42	32.66
North Carolina	2.00	1.53	-	0.12	6.56	1.85
North Dakota	-	-	-	0.25	-	-
Ohio	3.50	1.00	2.15	5.22	0.85	0.22
Oklahoma	-	0.10	1.45	0.14	0.17	0.09
Oregon	0.42	0.72	-	0.61	0.60	0.14
Pennsylvania	3.32	3.20	3.43	7.68	4.49	2.57
Puerto Rico	1.69	3.24	3.40	0.23	-	-
Rhode Island	0.13	0.26	0.18	-	0.75	0.85
South Carolina	0.12	0.61	0.24	0.91	0.09	0.99
South Dakota	-	-	-	-	0.23	-
Tennessee	5.55	1.74	0.14	2.80	0.84	0.58
Texas	10.58	9.19	18.48	11.19	3.41	2.21
U.S. Virgin Islands	0.54	0.07	1.27	0.39	-	-
Utah	0.02	-	-	1.20	0.04	0.22
Vermont	0.30	0.10	-	0.01	0.89	0.75
Virginia	1.34	0.63	2.30	1.22	2.53	1.00
Washington	1.18	0.97	-	0.42	2.06	1.27
West Virginia	1.01	0.35	-	0.35	-	-
Wisconsin	1.41	0.91	0.28	0.18	1.43	0.85
Wyoming	0.75	0.31	-	-	0.32	0.10
Other U.S. Territories	-	-	-	-	-	-

Alternative Minimum Tax Percentage:	8.92 %	5.46 %	9.88 %	11.27 %	- %	17.62 %
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## Section 1 (continued) - Exempt Interest Income - Multi-State Funds

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 is listed below.

	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 %	4.02 %	3.12 %	4.33 %	0.59 %
Alaska	0.27	-	-	-	0.80
Arizona	2.63	3.12	2.50	1.84	1.26
Arkansas	-	-	-	-	-
California	11.00	15.64	2.40	7.47	16.47
Colorado	5.98	8.48	2.65	5.33	5.84
Connecticut	1.13	-	-	-	-
Delaware	-	-	-	3.22	-
District of Columbia	-	1.94	-	2.17	-
Florida	7.57	7.24	3.44	3.54	2.20
Georgia	4.03	3.55	7.42	3.89	-
Guam	-	-	-	-	-
Hawaii	-	0.89	-	1.49	-
Idaho	-	-	-	-	-
Illinois	2.35	5.57	0.52	1.52	7.99
Indiana	6.23	3.03	7.23	2.05	1.41
Iowa	1.34	1.26	1.52	2.57	1.47
Kansas	-	-	-	0.59	-
Kentucky	-	1.46	-	1.40	-
Louisiana	-	0.51	4.36	0.40	-
Maine	-	-	-	-	-
Maryland	-	-	3.84	2.13	1.86
Massachusetts	0.01	4.28	-	0.88	0.72
Michigan	7.90	2.18	13.37	4.41	4.09
Minnesota	-	0.14	-	-	0.09
Mississippi	-	-	-	-	-
Missouri	-	1.80	1.29	2.54	1.06
Montana	-	-	-	-	-
Nebraska	-	0.33	-	1.87	-
Nevada	2.66	1.74	0.01	-	0.73
New Hampshire	4.09	-	-	0.02	-
New Jersey	10.32	6.06	6.03	5.86	5.33
New Mexico	1.36	0.79	-	0.35	-
New York	5.04	7.85	4.10	1.73	17.54
North Carolina	1.06	0.34	-	0.01	2.38
North Dakota	-	-	-	-	-
Ohio	2.33	1.36	5.03	2.01	2.42
Oklahoma	1.65	-	-	1.80	1.05
Oregon	0.30	0.14	-	-	0.38
Pennsylvania	3.25	1.70	4.35	3.06	3.85
Puerto Rico	0.05	3.40	0.25	1.92	1.01
Rhode Island	-	0.89	4.91	-	0.13
South Carolina	-	0.34	-	-	-
South Dakota	-	-	-	-	-
Tennessee	4.65	0.09	2.80	1.61	3.45
Texas	4.96	9.18	11.25	22.80	9.33
U.S. Virgin Islands	-	-	2.34	1.90	-
Utah	-	-	-	-	-
Vermont	-	-	-	-	-
Virginia	4.22	0.68	0.59	1.82	-
Washington	0.75	-	-	-	3.12
West Virginia	-	-	-	1.47	-
Wisconsin	1.99	-	4.68	-	3.43
Wyoming	-	-	-	-	-
Other U.S. Territories	-	-	-	-	-
Alternative Minimum Tax Percentage:	11.56 %	10.85 %	6.59 %	15.84 %	5.55 %

## Section 2 - Exempt Interest Income - Single State Funds

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.

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	95.59 %	4.34 %	0.07 %	2.25 %
Western Asset California Tax Free Money Market Fund	California	100.00	-	-	20.37
Western Asset Connecticut Municipal Money Market Fund	Connecticut	95.04	-	4.96	5.90
Western Asset Intermediate Maturity California Municipals Fund	California	91.68	8.25	0.07	0.38
Western Asset Intermediate Maturity New York Municipals Fund	New York	94.39	5.58	0.03	2.37
Western Asset Massachusetts Municipals Fund	Massachusetts	92.26	7.67	0.07	5.23
Western Asset New Jersey Municipals Fund	New Jersey	96.50	3.37	0.13	15.90
Western Asset New York Municipals Fund	New York	94.84	5.16	-	6.26
Western Asset New York Tax Free Money Market Fund	New York	100.00	-	-	8.31
Western Asset Oregon Municipals Fund	Oregon	91.21	8.68	0.11	2.74
Western Asset Pennsylvania Municipals Fund	Pennsylvania	96.96	3.03	0.01	2.57

### Section 3 - Income from Federal Obligations

Certain states may exempt the portion of dividends (reported in Box 1 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.

<u>Fund Name</u>	<u>Percentage</u>
Legg Mason BW Absolute Return Opportunities Fund	0.89 %
Legg Mason BW Global Opportunities Bond Fund	3.06
QS Legg Mason Dynamic Multi-Strategy Fund	3.05
QS Legg Mason Lifestyle Allocation 30%	5.18
QS Legg Mason Lifestyle Allocation 50%	4.39
QS Legg Mason Lifestyle Allocation 70%	2.92
QS Legg Mason Lifestyle Allocation 85%	0.78
QS Legg Mason Target Retirement 2015 (a)	1.61
QS Legg Mason Target Retirement 2020 (a)	1.29
QS Legg Mason Target Retirement 2025 (a)	1.40
QS Legg Mason Target Retirement 2030 (a)	0.98
QS Legg Mason Target Retirement 2035 (a)	0.80
QS Legg Mason Target Retirement Fund (a)	1.46
Western Asset Adjustable Rate Income Fund	3.36
Western Asset Core Bond Fund	3.90
Western Asset Core Plus Bond Fund	8.25
Western Asset Corporate Bond Fund	1.11
Western Asset Global Multi-Sector Fund (b)	3.52
Western Asset Government Reserves	59.54
Western Asset Inflation Indexed Plus Bond Fund **	76.39
Western Asset Inflation Management Fund Inc. (IMF) (c)	69.78
Western Asset Institutional Cash Reserves	1.36
Western Asset Institutional Government Reserves	57.66
Western Asset Institutional Liquid Reserves	1.46
Western Asset Institutional U.S. Treasury Reserves **	98.84
Western Asset Intermediate Bond Fund	17.16
Western Asset Liquid Reserves	2.11
Western Asset Macro Opportunities Fund	4.09
Western Asset Mortgage Backed Securities Fund	1.88
Western Asset Premium Liquid Reserves	1.28
Western Asset Premium U.S. Treasury Reserves **	100.00
Western Asset Short-Term Bond Fund	1.78
Western Asset Short-Term Yield Fund	6.60
Western Asset SMASh Series M Fund	5.96
Western Asset Total Return Unconstrained Fund	10.39
Western Asset U.S. Treasury Obligations Money Market Fund **	66.60
Western Asset U.S. Treasury Reserves**	100.00

\* 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.

(a) Each of the QS Legg Mason Target Funds redeemed all of its shareholders pursuant to a plan of liquidation at the close of business on November 14, 2014.

(b) Western Asset Global Multi-Sector Fund redeemed all of its shareholders pursuant to a plan of liquidation at the close of business on November 14, 2014.

(c) Western Asset Inflation Management Fund (IMF) redeemed all of its shareholders pursuant to a plan of liquidation at the close of business on May 30, 2014.

## Section 4 - Foreign Tax Credits

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. Please refer to the instructions for Form 1116 or consult your tax professional for further assistance.

Fund Name	Payable Date	Percentage of Income from Foreign Sources	Percentage of Income from Foreign Source Dividends (3)
Legg Mason BW Global Income Opportunities Fund (BWG)	5/30/2014	45.78 % (2)	— %
	Monthly 6/30/2014 - 12/31/2014	62.95 (2)	—
ClearBridge International Small Cap Fund	12/10/2014	50.43 (2)	50.43
	12/23/2014	64.02 (2)	64.02
ClearBridge International Value Fund	12/11/2014	100.00 (1)	100.00
QS BatteryMarch Emerging Markets Fund	12/10/2014	100.00 (1)	100.00
QS BatteryMarch International Equity Fund	6/18/2014	—	—
	12/10/2014	86.47 (2)	86.47
QS BatteryMarch Managed Volatility International Dividend Fund	Quarterly 3/2014 - 9/2014	98.29 (2)	98.29
	12/11/2014 & 12/23/2014	86.88 (2)	86.88
QS Legg Mason Dynamic Multi-Strategy Fund	6/18/2014	—	—
	12/29/2014	11.73 (2)	11.73
QS Legg Mason Lifestyle Allocation 30%	Quarterly 3/2014 - 9/2014	—	—
	12/29/2014	9.82 (2)	9.82
QS Legg Mason Lifestyle Allocation 50%	Quarterly 3/2014 - 9/2014	—	—
	12/29/2014	13.93 (2)	13.93
QS Legg Mason Lifestyle Allocation 70%	6/18/2014	—	—
	12/29/2014	14.90 (2)	14.90
QS Legg Mason Lifestyle Allocation 85%	12/10/2014 & 12/29/2014	21.21 (2)	21.21

(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 - Dividends Received Deduction for Corporations

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

Fund Name	Payable Date	Qualifying Percentage	Payable Date	Qualifying Percentage
ClearBridge All Cap Value Fund	12/11/2014	73.50 %	—	— %
ClearBridge Appreciation Fund	12/10/2014 & 12/23/2014	100.00	—	—
ClearBridge Energy MLP & Infrastructure Fund	Quarterly March - December	43.12	—	—
ClearBridge Equity Fund (d)	Quarterly March - September	72.36	12/16/2014	76.90 (e)
ClearBridge Equity Income Fund	Quarterly March - December	100.00	—	—
ClearBridge Large Cap Growth Fund	12/11/2014	100.00	—	—
ClearBridge Large Cap Value Fund	Quarterly March - December	100.00	—	—
ClearBridge Mid Cap Growth Fund	12/11/2014	79.55	—	—
ClearBridge Select Fund	12/11/2014	34.35	—	—
ClearBridge Small Cap Growth Fund	12/11/2014	47.75	—	—
ClearBridge Small Cap Value Fund	12/11/2014	99.70	—	—
ClearBridge Special Investment Trust	12/10/2014	100.00	—	—
Clearbridge Tactical Dividend Income Fund	3/28/2014	40.79 (f)	12/23/2014	34.28
	Quarterly June - September	40.79	—	—
ClearBridge Value Trust	12/10/2014	100.00	—	—
Legg Mason BW Diversified Large Cap Value Fund	12/10/2014	84.20	—	—
Legg Mason BW Dynamic Large Cap Value Fund	12/23/2014	100.00	—	—
Legg Mason Opportunity Trust	6/18/2014	100.00	—	—
Miller Income Opportunity Trust	Quarterly June - September	28.32	12/23/2014	15.12
Permal Alternative Core Fund	6/18/2014	7.71	12/10/2014 & 12/29/2014	6.19
Permal Alternative Select Fund	12/10/2014 & 12/29/2014	4.12	—	—

(d) ClearBridge Equity Fund reorganized into ClearBridge Large Cap Growth Fund at the close of business on December 19, 2014.

(e) The Fund has made certain reclassifications affecting the tax character of this distribution. 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 Ordinary Income per Share on the Fund's Form 8937 by the number of shares held on the record date of the distribution.

(f) ClearBridge Tactical Income Dividend Fund reclassified \$0.470585 per share of the distribution paid to shareholders of record on March 27, 2014 from income to long-term capital gains. In order to compute the amount of dividends qualifying for the dividends received deduction, a shareholder should multiply the Qualifying Percentage by the per share amount of the distribution received less \$0.470585 per share times the number of shares held on the record date of the distribution.

## Section 5 - Dividends Received Deduction for Corporations (continued)

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

Fund Name	Payable Date	Qualifying Percentage	Payable Date	Qualifying Percentage
QS Batterymarch Global Equity Fund	12/10/2014	100.00 %	—	— %
QS Batterymarch Managed Volatility Global Dividend Fund	Quarterly March - September	36.93	12/23/2014	43.13
QS Batterymarch S&P 500 Index Fund	12/10/2014	100.00	—	—
QS Batterymarch U.S. Large Cap Equity Fund	12/10/2014	84.08	—	—
QS Batterymarch U.S. Small Capitalization Equity Fund	6/18/2014	2.92	12/10/2014 & 12/23/2014	100.00
QS Legg Mason Dynamic Multi-Strategy Fund	6/18/2014	—	12/29/2014	50.48
QS Legg Mason Lifestyle Allocation 30%	3/28/2014	7.24	Quarterly June - December	11.68
QS Legg Mason Lifestyle Allocation 50%	3/28/2014	16.19	Quarterly June - December	22.97
QS Legg Mason Lifestyle Allocation 70%	6/18/2014	34.34	12/29/2014	39.93
QS Legg Mason Lifestyle Allocation 85%	6/18/2014	—	12/10/2014 & 12/29/2014	53.46
QS Legg Mason Strategic Real Return Fund	12/23/2014	15.27	—	—
QS Legg Mason Target Retirement 2015 (g)	6/12/2014	—	10/23/2014	9.74 (h)
QS Legg Mason Target Retirement 2020 (g)	6/12/2014	6.54	10/23/2014	9.63 (h)
QS Legg Mason Target Retirement 2025 (g)	6/12/2014	—	10/23/2014	22.69 (h)
QS Legg Mason Target Retirement 2030 (g)	6/12/2014	4.25	10/23/2014	19.09 (h)
QS Legg Mason Target Retirement 2035 (g)	6/12/2014	2.84	10/23/2014	45.23 (h)
QS Legg Mason Target Retirement 2040 (g)	6/12/2014	2.17	10/23/2014	40.38 (h)
QS Legg Mason Target Retirement 2045 (g)	6/12/2014	—	10/23/2014	33.31 (h)
QS Legg Mason Target Retirement 2050 (g)	6/12/2014	—	10/23/2014	25.77 (h)
QS Legg Mason Target Retirement Fund (g)	6/12/2014	—	10/23/2014	3.40 (h)

(g) Each of the QS Legg Mason Target Retirement Funds redeemed all of its shareholders pursuant to a plan of liquidation at the close of business on November 14, 2014.

(h) The Fund has made certain reclassifications affecting the tax character of this distribution. 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 Ordinary Income per Share on the Fund's Form 8937 by the number of shares held on the record date of the distribution.



**Section 5 - Dividends Received Deduction for Corporations (continued)**

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

Fund Name	Payable Date	Qualifying Percentage	Payable Date	Qualifying Percentage
LMP Capital and Income Fund Inc. (SCD)	Quarterly March - September	38.02 %	12/26/2014	15.58 %
LMP Real Estate Income Fund Inc. (RIT)	Monthly January - December	2.95	—	—
Western Asset Adjustable Rate Income Fund	Monthly January - May	6.20	7/31/2014	5.71
	6/30/2014	6.18	Monthly August - December	5.25
Western Asset Core Bond Fund	1/31/2014	0.49	Monthly February - December	2.10
Western Asset Core Plus Bond Fund	Monthly January - February	—	Monthly April - December	1.40
	3/31/2014	1.34	—	—
Western Asset Corporate Bond Fund	1/31/2014	—	Monthly February - December	6.23
Western Asset Global Corporate Defined Opportunity Fund (GDO)	Monthly January - December	3.13	—	—
Western Asset Global High Income Fund (EHI)	Monthly January - July	2.15	Monthly September - December	1.54
	8/29/2014	1.68	—	—
Western Asset Global High Yield Bond Fund	1/31/2014	0.39	Monthly February - December	0.69
Western Asset Global Partners Income Fund (GDF)	Monthly January - August	0.78 (i)	Monthly September - December	0.52
Western Asset High Income Fund II (HIX)	Monthly January - April	2.10	Monthly May - December	1.17
Western Asset High Income Opportunity Fund (HIO)	Monthly January - September	1.08	Monthly October - December	1.34
Western Asset High Yield Defined Opportunity Fund (HYD)	Monthly January - August	1.40 (i)	Monthly September - December	0.92
Western Asset High Yield Fund	Monthly January - May	1.11	Monthly June - December	1.13
Western Asset Income Fund (PAI)	1/31/2014	—	Monthly March - December	4.52
	2/28/2014	2.80	—	—
Western Asset Intermediate Bond Fund	1/31/2014	2.06	6/30/2014	2.45
	Monthly February - May	2.46	Monthly July - December	2.44
Western Asset Investment Grade Defined Opportunity Trust (IGD)	Monthly January - February	—	Monthly April - December	3.90
	3/28/2014	1.01	—	—
Western Asset Macro Opportunities Fund	12/10/2014	5.37	12/23/2014	6.90

(i) The Fund has made certain reclassifications affecting the tax character of this distribution. 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 number of shares held on the record date of the distribution by the Total Distribution per Share reduced by the Return of Capital on the Fund's Form 8937.

**Section 5 - Dividends Received Deduction for Corporations (continued)**

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

Fund Name	Payable Date	Qualifying Percentage	Payable Date	Qualifying Percentage
Western Asset Managed High Income (MHY)	Monthly January - February	— %	Monthly March - December	1.15 %
Western Asset Premier Bond Fund (WEA)	Monthly January - June	—	Monthly August - December	4.21
	7/25/2014	1.43	—	—
Western Asset Short-Term Bond Fund	1/31/2014	1.56	Monthly September - December	—
	Monthly February - August	1.56	—	—
Western Asset SMASh Series C Fund	Monthly January - October	0.86	12/12/2014	0.74
	11/14/2014	0.77	—	—
Western Asset Total Return Unconstrained Fund	1/31/2014	—	6/30/2014	1.47
	2/28/2014	0.93	Monthly July - December	1.39
	Monthly March - May	1.50	—	—
Western Asset Variable Rate Strategic Fund (GFY)	Monthly January - February	—	Monthly April - December	5.11
	3/28/2014	2.16	—	—