

LEGG MASON ALTERNATIVE FUNDS ICAV
10 Earlsfort Terrace
Dublin 2
D02 T380
Ireland

05 July 2019

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE YOU SHOULD SEEK INDEPENDENT PROFESSIONAL ADVICE.

If you have sold or transferred all of your Shares in the EnTrustPermal Alternative Income Strategy (the "Fund"), a sub-fund of Legg Mason Alternative Funds ICAV, an Irish collective asset-management vehicle and an umbrella fund with segregated liability between sub-funds that is established under the laws of Ireland with variable capital and limited liability (the "ICAV"), please pass this document at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee as soon as possible.

Capitalised terms used in this notice shall bear the same meaning as capitalised terms used in the prospectus of the ICAV dated 21 December 2018 and the supplement of the Fund dated 21 December 2018, (together, the "Prospectus").

Dear Shareholder,

Re: Change in Valuation Basis and Name of the Fund

We are writing to you, a shareholder in the ICAV, to notify you of an amendment to the valuation process for all securities held by the Fund that are listed or traded on a regulated market and a change to the name of the Fund. It is expected that these changes will be implemented on or about 22 July 2019 (the "**Effective Date**"), being the expected date of approval by the Central Bank of a revised Prospectus reflecting these changes.

1. Valuation Basis

Currently, securities (other than bonds) which are listed or traded on a regulated market are valued based on the latest available traded price on the regulated market which is normally the principal market for such security as at the Valuation Point, and bonds which are traded on a regulated market are valued based on the closing bid price on the regulated market which is normally the principal market for such security as at the Valuation Point. From the Effective Date, all securities (including bonds) held by the Fund which are listed or traded on a regulated market will be valued at the latest available middle market price on the regulated market which is normally the principal market for such security as at the Valuation Point (the "**Pricing Change**").

The Pricing Change is being proposed to reflect a market standard approach to the valuation of such securities across global markets.

On the Effective Date, the Pricing Change is expected to have a non-material impact on the Net Asset Value of the Fund which will in turn impact the subscription and redemption prices of the Fund.

The Pricing Change should also result in a more consistent application of the dilution adjustment as more particularly described in the Prospectus.

*Directors: Joseph Carrier (U.S.A.), Brian Collins, Fionnuala Doris, Joseph Keane, Joseph LaRocque (U.S.A.)
and Jane Trust (U.S.A.)*

*An umbrella fund with segregated liability between sub-funds
Registered in Ireland: Registration No. C139549
Registered Office: As above*

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2. Change of Name of the Fund

It is proposed to change the name of the Fund from “EnTrustPermal Alternative Income Strategy” to “EnTrust Global Alternative Income Strategy”, subject to the approval of the Central Bank. The rationale for the change of name is to align the name of the Fund with that of the investment manager of the Fund following the change of name of the investment manager from “EnTrustPermal Ltd.” to “EnTrust Global Ltd.”.

3. Redemption of Shares

Shareholders who do not wish to remain in the Fund following the implementation of the above changes may redeem their Shares, free of any redemption charge chargeable by the ICAV, on any Dealing Day from the date of this notice until and excluding the Effective Date by following the usual redemption procedures as set out in the Prospectus. However, if you deal via any bank, relevant distributor or financial adviser, you should note that they may charge you transaction or adviser fees (as the case may be) in respect of any such redemption request and you should check with such distributor or financial adviser, as necessary.

Should you have any questions relating to the content of this letter, you should either contact us at the above address or alternatively you should contact your financial advisor, your distributor or local representative or paying agent.

Sincerely,



Director
Legg Mason Alternative Funds ICAV

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