

WESTERN ASSET EMERGING MARKETS INCOME FUND II INC.

Form 40-17G

July 19, 2010

July 19, 2010

**VIA EDGAR**

Securities and Exchange Commission

100 F Street, N.E.

Washington, D.C. 20549

Re: Rule 17g-1 Filing for Registered Investment Companies  
Managed by Affiliates of Legg Mason, Inc. (the Funds )

Ladies and Gentlemen:

Pursuant to Rule 17g-1(g)(1) under the Investment Company Act of 1940, as amended (the 1940 Act ), the following documents are hereby submitted for filing with the Securities and Exchange Commission: (1) a copy of the joint fidelity bond executed on behalf of the Funds; (2) copies of the resolutions of a majority of the Boards of Directors/Trustees who are not interested persons (as defined in the 1940 Act) of the Funds approving the amount, type, form and coverage of the joint fidelity bond and the portion of the premium to be paid by each Fund, as well as approving the Agreement Concerning Allocation of Fidelity Bond Premiums and Recoveries (as defined below); (3) a statement showing the amount of the single insured bond which each Fund would have provided and maintained had it not been named as an insured under the joint fidelity bond; (4) a statement as to the period for which premiums have been paid under the joint fidelity bond; and (5) an agreement among the Funds concerning the allocation of fidelity bond recoveries (the Agreement Concerning Allocation of Fidelity Bond Premiums and Recoveries ).

For purposes of (4) above, please note that the Funds have paid premiums under the joint fidelity bond for the period July 1, 2009 to June 30, 2010.

If you have any questions concerning this filing, please call Thomas C. Mandia at (203) 703-7038.

Very truly yours,

/s/ Thomas C. Mandia  
Assistant Secretary,  
Western Asset Emerging Markets Income Fund Inc.

cc: Jennifer L. Whitman  
Rosemary D. Emmens

SCHEDULE I

LMP Corporate Loan Fund Inc.

Western Asset High Income Opportunity Fund Inc.

Western Asset Managed High Income Fund Inc.

Western Asset Managed Municipals Fund Inc.

Western Asset Municipal High Income Fund Inc.

LMP Real Estate Income Fund Inc.

Western Asset Intermediate Muni Fund Inc.

Western Asset High Income Fund Inc.

Western Asset High Income Fund II Inc.

Western Asset Worldwide Income Fund Inc.

Western Asset Global High Income Fund Inc.

Western Asset Emerging Markets Debt Fund Inc.

LMP Capital and Income Fund Inc.

Western Asset Emerging Markets Income Fund Inc. (f/k/a Western Asset Emerging Markets Income Fund II Inc.)

Western Asset Emerging Markets Floating Rate Fund Inc.

Western Asset Global Partners Income Fund Inc.

Western Asset Municipal Partners Fund Inc.

Western Asset Variable Rate Strategic Fund Inc.

Western Asset Inflation Management Fund Inc.

Western Asset Municipal Defined Opportunity Trust, Inc.

Western Asset Investment Grade Defined Opportunity Trust, Inc.

**Legg Mason Partners Equity Trust**

Legg Mason Partners 130/30 U.S. Large Cap Equity Fund

Legg Mason Partners Aggressive Growth Fund

Legg Mason Partners Appreciation Fund

Legg Mason Partners Capital and Income Fund

Legg Mason Partners Capital Fund

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Legg Mason Partners Convertible Fund  
Legg Mason Partners Diversified Large Cap Growth Fund  
Legg Mason Partners Dividend Strategy Fund  
Legg Mason Partners Emerging Markets Equity Fund  
Legg Mason Partners Equity Fund  
Legg Mason Partners Equity Income Builder Fund  
Legg Mason Partners Financial Services Fund  
Legg Mason Partners Fundamental Value Fund  
Legg Mason Partners Global Equity Fund  
Legg Mason Partners International All Cap Opportunity Fund  
Legg Mason Partners Investors Value Fund  
Legg Mason Partners Large Cap Growth Fund  
Legg Mason Partners Lifestyle Allocation 100%  
Legg Mason Partners Lifestyle Allocation 30%  
Legg Mason Partners Lifestyle Allocation 50%  
Legg Mason Partners Lifestyle Allocation 70%  
Legg Mason Partners Lifestyle Allocation 85%  
Legg Mason Partners Lifestyle Income Fund  
Legg Mason Partners Mid Cap Core Fund  
Legg Mason Partners All Cap Fund  
Legg Mason Partners S&P 500 Index Fund  
Legg Mason Partners Small Cap Growth Fund  
Legg Mason Partners Small Cap Value Fund

Legg Mason Partners Social Awareness Fund

Legg Mason Partners Target Retirement 2015

Legg Mason Partners Target Retirement 2020

Legg Mason Partners Target Retirement 2025

Legg Mason Partners Target Retirement 2030

Legg Mason Partners Target Retirement 2035

Legg Mason Partners Target Retirement 2040

Legg Mason Partners Target Retirement 2045

Legg Mason Partners Target Retirement 2050

Legg Mason Partners Target Retirement Fund

Legg Mason Partners U.S. Large Cap Equity Fund

Legg Mason Permal Tactical Allocation Fund

**Legg Mason Partners Income Trust**

Legg Mason Partners Adjustable Rate Income Fund

Legg Mason Partners California Municipals Fund

Legg Mason Partners Core Bond Fund

Legg Mason Partners Core Plus Bond Fund

Legg Mason Partners Global High Yield Bond Fund

Legg Mason Partners Government Securities Fund

Legg Mason Partners High Income Fund

Legg Mason Partners Global Inflation Management Fund (f/k/a Legg Mason Partners Inflation Management Fund)

Legg Mason Partners Intermediate Maturity California Municipals Fund

Legg Mason Partners Intermediate Maturity New York Municipals Fund

Legg Mason Partners Intermediate-Term Municipals Fund

Legg Mason Partners Corporate Bond Fund (f/k/a Legg Mason Partners Investment Grade Bond Fund)

Legg Mason Partners Managed Municipals Fund

Legg Mason Partners Massachusetts Municipals Fund

Legg Mason Partners Municipal High Income Fund

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Legg Mason Partners New Jersey Municipals Fund

Legg Mason Partners New York Municipals Fund

Legg Mason Partners Oregon Municipals Fund

Legg Mason Partners Pennsylvania Municipals Fund

Legg Mason Partners Short Duration Municipal Income Fund

Legg Mason Partners Short-Term Bond Fund (f/k/a Legg Mason Partners Short-Term Investment Grade Bond Fund)

Legg Mason Partners Strategic Income Fund

Western Asset Emerging Markets Debt Portfolio

Western Asset Global High Yield Bond Portfolio

**Legg Mason Partners Money Market Trust**

Western Asset / Citi California Tax Free Reserves

Western Asset / Citi Liquid Reserves

Western Asset / Citi Connecticut Tax Free Reserves

Western Asset / Citi New York Tax Free Reserves

Western Asset / Citi Tax Free Reserves

Western Asset / Citi U.S. Treasury Reserves

Western Asset California Municipal Money Market Fund

Western Asset Massachusetts Municipal Money Market Fund

Western Asset New York Municipal Money Market Fund

Western Asset Money Market Fund

Western Asset Government Money Market Fund

Western Asset Municipal Money Market Fund

Western Asset AMT Tax Free Money Market Fund

**Legg Mason Partners Institutional Trust**

Western Asset Institutional Money Market Fund

Western Asset / Citi Institutional Cash Reserves

Western Asset / Citi Institutional Liquid Reserves

Western Asset / Citi Institutional Tax Free Reserves

Western Asset / Citi Institutional U.S. Treasury Reserves

Western Asset Institutional Government Money Market Fund

Western Asset Institutional Municipal Money Market Fund

Citi Institutional Enhanced Income Fund

SMASh Series C Fund

SMASh Series EC Fund

SMASh Series M Fund

**Legg Mason Partners Premium Money Market Trust**

Western Asset / Citi Premium Liquid Reserves

Western Asset / Citi Premium U.S. Treasury Reserves

**Master Portfolio Trust**

Liquid Reserves Portfolio

U.S. Treasury Reserves Portfolio

Tax Free Reserves Portfolio

Prime Cash Reserves Portfolio

Institutional Enhanced Portfolio

Government Portfolio

**Legg Mason Partners Variable Equity Trust**

Legg Mason Partners Variable Aggressive Growth Portfolio

Legg Mason Partners Variable Appreciation Portfolio

Legg Mason Partners Variable Dividend Strategy Portfolio

Legg Mason Partners Variable Fundamental Value Portfolio

Legg Mason Partners Variable International All Cap Opportunity Portfolio

Legg Mason Partners Variable Investors Portfolio

Legg Mason Partners Variable Large Cap Growth Portfolio

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Legg Mason Partners Variable Lifestyle Allocation 50%

Legg Mason Partners Variable Lifestyle Allocation 70%

Legg Mason Partners Variable Lifestyle Allocation 85%

Legg Mason Partners Variable Mid Cap Core Portfolio

Legg Mason Partners Variable Capital Portfolio

Legg Mason Partners Variable Capital and Income Portfolio

Legg Mason Partners Variable Global Equity Portfolio

Legg Mason Partners Variable Small Cap Growth Portfolio

Legg Mason Partners Variable Social Awareness Portfolio

**Legg Mason Partners Variable Income Trust**

Legg Mason Partners Variable Adjustable Rate Income Portfolio

Legg Mason Partners Variable Diversified Strategic Income Portfolio

Legg Mason Partners Variable Global High Yield Bond Portfolio

Legg Mason Partners Variable High Income Portfolio

Legg Mason Partners Variable Money Market Portfolio

Legg Mason Partners Variable Strategic Bond Portfolio

**Western Asset Income Fund, Inc.**

**Western Asset/Claymore Inflation-Linked Securities & Income Fund**

**Western Asset/Claymore Inflation-Linked Opportunities & Income Fund**

**Western Asset Premier Bond Fund**

**Western Asset Funds, Inc.**

Western Asset Core Plus Bond Portfolio

Western Asset Core Bond Portfolio

Western Asset High Yield Portfolio

Western Asset Inflation Indexed Plus Bond Portfolio

Western Asset Intermediate Bond Portfolio

Western Asset Intermediate Plus Bond Portfolio

Western Asset Limited Duration Bond Portfolio

Western Asset Non-U.S. Opportunity Bond Portfolio

Western Asset Absolute Return Portfolio

Western Asset Global Strategic Income Portfolio

Western Asset Enhanced Equity Portfolio



SCHEDULE II

**Legg Mason Charles Street Trust, Inc.**

Batterymarch U.S. Small Capitalization Equity Portfolio

Global Opportunities Bond Fund

**Legg Mason Light Street Trust, Inc.**

Legg Mason Classic Valuation Fund

**Legg Mason Growth Trust, Inc.**

**Legg Mason Global Trust, Inc.**

Legg Mason International Equity Trust

Legg Mason Emerging Markets Trust

**Legg Mason Investors Trust, Inc.**

Legg Mason American Leading Companies Trust

Legg Mason U.S. Small-Capitalization Value Trust

**Legg Mason Investment Trust, Inc.**

Legg Mason Opportunity Trust

**Legg Mason Special Investment Trust, Inc.**

**Legg Mason Tax-Free Income Fund**

Legg Mason Maryland Tax-Free Income Trust

**Legg Mason Value Trust, Inc.**

SCHEDULE III

Barrett Opportunity Fund, Inc.

**The Barrett Funds**

Barrett Growth Fund

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

1401 H St. NW

Washington, DC 20005

**INVESTMENT COMPANY BLANKET BOND**

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

1401 H St. NW

Washington, DC 20005

**DECLARATIONS**

**NOTICE**

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your state. State insurance insolvency guaranty funds are not available for your risk retention group.

**Item 1.** Name of Insured (the Insured ) Bond Number  
**Legg Mason Growth Trust, Inc.** **87028109B**  
 Principal Office: 100 International Dr. Baltimore, MD 21202  
 Mailing Address: 100 International Dr. Baltimore, MD 21202

**Item 2.** Bond Period: from 12:01 a.m. on July 1, 2009, to 12:01 a.m. on July 1, 2010 or the earlier effective date of the termination of this Bond, standard time at the Principal Office as to each of said dates.

**Item 3.** Limit of Liability (Subject to Sections 9, 10 and 12 hereof):

		LIMIT OF LIABILITY	DEDUCTIBLE AMOUNT
Insuring Agreement A	FIDELITY	\$ 75,000,000	N/A
Insuring Agreement B	AUDIT EXPENSE	\$ 50,000	\$ 10,000
Insuring Agreement C	ON PREMISES	\$ 75,000,000	\$ 250,000
Insuring Agreement D	IN TRANSIT	\$ 75,000,000	\$ 250,000
Insuring Agreement E	FORGERY OR ALTERATION	\$ 75,000,000	\$ 250,000
Insuring Agreement F	SECURITIES	\$ 75,000,000	\$ 250,000
Insuring Agreement G	COUNTERFEIT CURRENCY	\$ 75,000,000	\$ 250,000
Insuring Agreement H	UNCOLLECTIBLE ITEMS OF DEPOSIT	\$ 25,000	\$ 5,000
Insuring Agreement I	PHONE/ELECTRONIC TRANSACTIONS	\$ 75,000,000	\$ 250,000

If Not Covered is inserted opposite any Insuring Agreement above, such Insuring Agreement and any reference thereto shall be deemed to be deleted from this Bond.

OPTIONAL INSURING AGREEMENTS ADDED BY RIDER:

Insuring Agreement J	COMPUTER SECURITY	\$ 75,000,000	\$ 250,000
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**Item 4.** Offices or Premises Covered All the Insured's offices or other premises in existence at the time this Bond becomes effective are covered under this Bond, except the offices or other premises excluded by Rider. Offices or other premises acquired or established after the effective date of this Bond are covered subject to the terms of General Agreement A.

**Item 5.** The liability of ICI Mutual Insurance Company, a Risk Retention Group (the Underwriter) is subject to the terms of the following Riders attached hereto:

Riders: 1-2-3-4-5-6-7-8-9-10-11

and of all Riders applicable to this Bond issued during the Bond Period.

By: **/S/ Matthew Link**  
Authorized Representative

**INVESTMENT COMPANY BLANKET BOND**

**NOTICE**

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your state. State insurance insolvency guaranty funds are not available for your risk retention group.

ICI Mutual Insurance Company, a Risk Retention Group (the Underwriter ), in consideration of an agreed premium, and in reliance upon the Application and all other information furnished to the Underwriter by the Insured, and subject to and in accordance with the Declarations, General Agreements, Provisions, Conditions and Limitations and other terms of this bond (including all riders hereto) ( Bond ), to the extent of the Limit of Liability and subject to the Deductible Amount, agrees to indemnify the Insured for the loss, as described in the Insuring Agreements, sustained by the Insured at any time but discovered during the Bond Period.

**INSURING AGREEMENTS**

**A. FIDELITY**

Loss caused by any Dishonest or Fraudulent Act or Theft committed by an Employee anywhere, alone or in collusion with other persons (whether or not Employees), during the time such Employee has the status of an Employee as defined herein, and even if such loss is not discovered until after he or she ceases to be an Employee, EXCLUDING loss covered under Insuring Agreement B.

**B. AUDIT EXPENSE**

Expense incurred by the Insured for that part of audits or examinations required by any governmental regulatory authority or Self Regulatory Organization to be conducted by such authority or Organization or by an independent accountant or other person, by reason of the discovery of loss sustained by the Insured and covered by this Bond.

**C. ON PREMISES**

Loss resulting from Property that is (1) located or reasonably believed by the Insured to be located within the Insured's offices or premises, and (2) the object of Theft, Dishonest or Fraudulent Act, or Mysterious Disappearance, EXCLUDING loss covered under Insuring Agreement A.

**D. IN TRANSIT**

Loss resulting from Property that is (1) in transit in the custody of any person authorized by an Insured to act as a messenger, except while in the mail or with a carrier for hire (other than a Security Company), and (2) the object of Theft, Dishonest or Fraudulent Act, or Mysterious Disappearance, EXCLUDING loss covered under Insuring Agreement A. Property is in transit beginning immediately upon receipt of such Property by the transporting person and ending immediately upon delivery at the specified destination.

**E. FORGERY OR ALTERATION**

Loss caused by the Forgery or Alteration of or on (1) any bills of exchange, checks, drafts, or other written orders or directions to pay certain sums in money, acceptances, certificates of deposit, due bills, money orders, or letters of credit; or (2) other written instructions, requests or applications to the Insured, authorizing or acknowledging the transfer, payment, redemption, delivery or receipt of Property, or giving notice of any bank account, which instructions or requests or applications purport to have been signed or endorsed by (a) any customer of the Insured, or (b) any shareholder of or subscriber

to shares issued by any Investment Company, or (c) any financial or banking institution or stockbroker; or (3) withdrawal orders or receipts for the withdrawal of Property, or receipts or certificates of deposit for Property and bearing the name of the Insured as issuer or of another Investment Company for which the Insured acts as agent. This Insuring Agreement E does not cover loss caused by Forgery or Alteration of Securities or loss covered under Insuring Agreement A.

**F. SECURITIES**

Loss resulting from the Insured, in good faith, in the ordinary course of business, and in any capacity whatsoever, whether for its own account or for the account of others, having acquired, accepted or received, or sold or delivered, or given any value, extended any credit or assumed any liability on the faith of any Securities, where such loss results from the fact that such Securities (1) were Counterfeit, or (2) were lost or stolen, or (3) contain a Forgery or Alteration, and notwithstanding whether or not the act of the Insured causing such loss violated the constitution, by-laws, rules or regulations of any Self Regulatory Organization, whether or not the Insured was a member thereof, EXCLUDING loss covered under Insuring Agreement A.

**G. COUNTERFEIT CURRENCY**

Loss caused by the Insured in good faith having received or accepted (1) any money orders which prove to be Counterfeit or to contain an Alteration or (2) paper currencies or coin of the United States of America or Canada which prove to be Counterfeit. This Insuring Agreement G does not cover loss covered under Insuring Agreement A.

**H. UNCOLLECTIBLE ITEMS OF DEPOSIT**

Loss resulting from the payment of dividends, issuance of Fund shares or redemptions or exchanges permitted from an account with the Fund as a consequence of

- (1) uncollectible Items of Deposit of a Fund's customer, shareholder or subscriber credited by the Insured or its agent to such person's Fund account, or
- (2) any Item of Deposit processed through an automated clearing house which is reversed by a Fund's customer, shareholder or subscriber and is deemed uncollectible by the Insured;

PROVIDED, that (a) Items of Deposit shall not be deemed uncollectible until the Insured's collection procedures have failed, (b) exchanges of shares between Funds with exchange privileges shall be covered hereunder only if all such Funds are insured by the Underwriter for uncollectible Items of Deposit, and (c) the Insured Fund shall have implemented and maintained a policy to hold Items of Deposit for the minimum number of days stated in its Application (as amended from time to time) before paying any dividend or permitting any withdrawal with respect to such Items of Deposit (other than exchanges between Funds). Regardless of the number of transactions between Funds in an exchange program, the minimum number of days an Item of Deposit must be held shall begin from the date the Item of Deposit was first credited to any Insured Fund.

This Insuring Agreement H does not cover loss covered under Insuring Agreement A.

**I. PHONE/ELECTRONIC TRANSACTIONS**

Loss caused by a Phone/Electronic Transaction, where the request for such Phone/Electronic Transaction:

- (1) is transmitted to the Insured or its agents by voice over the telephone or by Electronic Transmission; and





(2) is made by an individual purporting to be a Fund shareholder or subscriber or an authorized agent of a Fund shareholder or subscriber; and

(3) is unauthorized or fraudulent and is made with the manifest intent to deceive;

PROVIDED, that the entity receiving such request generally maintains and follows during the Bond Period all Phone/Electronic Transaction Security Procedures with respect to all Phone/Electronic Transactions; and

EXCLUDING loss resulting from:

(1) the failure to pay for shares attempted to be purchased; or

(2) any redemption of Investment Company shares which had been improperly credited to a shareholder's account where such shareholder (a) did not cause, directly or indirectly, such shares to be credited to such account, and (b) directly or indirectly received any proceeds or other benefit from such redemption; or

(3) any redemption of shares issued by an Investment Company where the proceeds of such redemption were requested to be paid or made payable to other than (a) the Shareholder of Record, or (b) any other person or bank account designated to receive redemption proceeds (i) in the initial account application, or (ii) in writing (not to include Electronic Transmission) accompanied by a signature guarantee; or

(4) any redemption of shares issued by an Investment Company where the proceeds of such redemption were requested to be sent to other than any address for such account which was designated (a) in the initial account application, or (b) in writing (not to include Electronic Transmission), where such writing is received at least one (1) day prior to such redemption request, or (c) by voice over the telephone or by Electronic Transmission at least fifteen (15) days prior to such redemption; or

(5) the intentional failure to adhere to one or more Phone/Electronic Transaction Security Procedures; or

(6) a Phone/Electronic Transaction request transmitted by electronic mail or transmitted by any method not subject to the Phone/Electronic Transaction Security Procedures; or

(7) the failure or circumvention of any physical or electronic protection device, including any firewall, that imposes restrictions on the flow of electronic traffic in or out of any Computer System.

This Insuring Agreement I does not cover loss covered under Insuring Agreement A, Fidelity or Insuring Agreement J, Computer Security .

## GENERAL AGREEMENTS

### A. ADDITIONAL OFFICES OR EMPLOYEES CONSOLIDATION OR MERGER NOTICE

1. Except as provided in paragraph 2 below, this Bond shall apply to any additional office(s) established by the Insured during the Bond Period and to all Employees during the Bond Period, without the need to give notice thereof or pay additional premiums to the Underwriter for the Bond Period.

2. If during the Bond Period an Insured Investment Company shall merge or consolidate with an institution in which such Insured is the surviving entity, or purchase substantially all the assets or capital stock of another institution, or acquire or create a separate investment portfolio, and shall within sixty (60) days notify the Underwriter thereof, then this Bond shall automatically apply to

the Property and Employees resulting from such merger, consolidation, acquisition or creation from the date thereof; provided, that the Underwriter may make such coverage contingent upon the payment of an additional premium.

**B. WARRANTY**

No statement made by or on behalf of the Insured, whether contained in the Application or otherwise, shall be deemed to be an absolute warranty, but only a warranty that such statement is true to the best of the knowledge of the person responsible for such statement.

**C. COURT COSTS AND ATTORNEYS FEES**

The Underwriter will indemnify the Insured against court costs and reasonable attorneys fees incurred and paid by the Insured in defense of any legal proceeding brought against the Insured seeking recovery for any loss which, if established against the Insured, would constitute a loss covered under the terms of this Bond; provided, however, that with respect to Insuring Agreement A this indemnity shall apply only in the event that

1. an Employee admits to having committed or is adjudicated to have committed a Dishonest or Fraudulent Act or Theft which caused the loss; or
2. in the absence of such an admission or adjudication, an arbitrator or arbitrators acceptable to the Insured and the Underwriter concludes, after a review of an agreed statement of facts, that an Employee has committed a Dishonest or Fraudulent Act or Theft which caused the loss.

The Insured shall promptly give notice to the Underwriter of any such legal proceeding and upon request shall furnish the Underwriter with copies of all pleadings and other papers therein. At the Underwriter's election the Insured shall permit the Underwriter to conduct the defense of such legal proceeding in the Insured's name, through attorneys of the Underwriter's selection. In such event, the Insured shall give all reasonable information and assistance which the Underwriter shall deem necessary to the proper defense of such legal proceeding.

If the amount of the Insured's liability or alleged liability in any such legal proceeding is greater than the amount which the Insured would be entitled to recover under this Bond (other than pursuant to this General Agreement C), or if a Deductible Amount is applicable, or both, the indemnity liability of the Underwriter under this General Agreement C is limited to the proportion of court costs and attorneys fees incurred and paid by the Insured or by the Underwriter that the amount which the Insured would be entitled to recover under this Bond (other than pursuant to this General Agreement C) bears to the sum of such amount plus the amount which the Insured is not entitled to recover. Such indemnity shall be in addition to the Limit of Liability for the applicable Insuring Agreement.

**D. INTERPRETATION**

This Bond shall be interpreted with due regard to the purpose of fidelity bonding under Rule 17g-1 of the Investment Company Act of 1940 (i.e., to protect innocent third parties from harm) and to the structure of the investment management industry (in which a loss of Property resulting from a cause described in any Insuring Agreement ordinarily gives rise to a potential legal liability on the part of the Insured), such that the term loss as used herein shall include an Insured's legal liability for direct compensatory damages resulting directly from a misappropriation, or measurable diminution in value, of Property.

**THIS BOND, INCLUDING THE FOREGOING INSURING AGREEMENTS  
AND GENERAL AGREEMENTS, IS SUBJECT TO THE FOLLOWING  
PROVISIONS, CONDITIONS AND LIMITATIONS:**

**SECTION 1. DEFINITIONS**

The following terms used in this Bond shall have the meanings stated in this Section:

- A. Alteration** means the marking, changing or altering in a material way of the terms, meaning or legal effect of a document with the intent to deceive.
- B. Application** means the Insured's application (and any attachments and materials submitted in connection therewith) furnished to the Underwriter for this Bond.
- C. Computer System** means (1) computers with related peripheral components, including storage components, (2) systems and applications software, (3) terminal devices, (4) related communications networks or customer communication systems, and (5) related electronic funds transfer systems; by which data or monies are electronically collected, transmitted, processed, stored or retrieved.
- D. Counterfeit** means, with respect to any item, one which is false but is intended to deceive and to be taken for the original authentic item.
- E. Deductible Amount** means, with respect to any Insuring Agreement, the amount set forth under the heading **Deductible Amount** in Item 3 of the Declarations or in any Rider for such Insuring Agreement, applicable to each Single Loss covered by such Insuring Agreement.
- F. Depository** means any securities depository (other than any foreign securities depository) in which an Investment Company may deposit its Securities in accordance with Rule 17f-4 under the Investment Company Act of 1940.
- G. Dishonest or Fraudulent Act** means any dishonest or fraudulent act, including larceny and embezzlement as defined in Section 37 of the Investment Company Act of 1940, committed with the conscious manifest intent (1) to cause the Insured to sustain a loss and (2) to obtain financial benefit for the perpetrator or any other person (other than salaries, commissions, fees, bonuses, awards, profit sharing, pensions or other employee benefits). A Dishonest or Fraudulent Act does not mean or include a reckless act, a negligent act, or a grossly negligent act.
- H. Electronic Transmission** means any transmission effected by electronic means, including but not limited to a transmission effected by telephone tones, Telefacsimile, wireless device, or over the Internet.
- I. Employee** means:
- (1) each officer, director, trustee, partner or employee of the Insured, and
  - (2) each officer, director, trustee, partner or employee of any predecessor of the Insured whose principal assets are acquired by the Insured by consolidation or merger with, or purchase of assets or capital stock of, such predecessor, and

- (3) each attorney performing legal services for the Insured and each employee of such attorney or of the law firm of such attorney while performing services for the Insured, and
- (4) each student who is an authorized intern of the Insured, while in any of the Insured's offices, and
- (5) each officer, director, trustee, partner or employee of
  - (a) an investment adviser,
  - (b) an underwriter (distributor),

(c) a transfer agent or shareholder accounting recordkeeper, or

(d) an administrator authorized by written agreement to keep financial and/or other required records, for an Investment Company named as an Insured, BUT ONLY while (i) such officer, partner or employee is performing acts coming within the scope of the usual duties of an officer or employee of an Insured, or (ii) such officer, director, trustee, partner or employee is acting as a member of any committee duly elected or appointed to examine or audit or have custody of or access to the Property of the Insured, or (iii) such director or trustee (or anyone acting in a similar capacity) is acting outside the scope of the usual duties of a director or trustee; PROVIDED, that the term Employee shall not include any officer, director, trustee, partner or employee of a transfer agent, shareholder accounting recordkeeper or administrator (x) which is not an affiliated person (as defined in Section 2(a) of the Investment Company Act of 1940) of an Investment Company named as Insured or of the adviser or underwriter of such Investment Company, or (y) which is a Bank (as defined in Section 2(a) of the Investment Company Act of 1940), and

(6) each individual assigned, by contract or by any agency furnishing temporary personnel, in either case on a contingent or part-time basis, to perform the usual duties of an employee in any office of the Insured, and

(7) each individual assigned to perform the usual duties of an employee or officer of any entity authorized by written agreement with the Insured to perform services as electronic data processor of checks or other accounting records of the Insured, but excluding a processor which acts as transfer agent or in any other agency capacity for the Insured in issuing checks, drafts or securities, unless included under subsection (5) hereof, and

(8) each officer, partner or employee of

(a) any Depository or Exchange,

(b) any nominee in whose name is registered any Security included in the systems for the central handling of securities established and maintained by any Depository, and

(c) any recognized service company which provides clerks or other personnel to any Depository or Exchange on a contract basis, while such officer, partner or employee is performing services for any Depository in the operation of systems for the central handling of securities, and

(9) in the case of an Insured which is an employee benefit plan (as defined in Section 3 of the Employee Retirement Income Security Act of 1974 ( ERISA )) for officers, directors or employees of another Insured ( In-House Plan ), any fiduciary or other plan official (with the meaning of Section 412 of ERISA) of such In-House Plan, provided that such fiduciary or other plan official is a director, partner, officer, trustee or employee of an Insured (other than an In-House Plan).

Each employer of temporary personnel and each entity referred to in subsections (6) and (7) and their respective partners, officers and employees shall collectively be deemed to be one person for all the purposes of this Bond.

Brokers, agents, independent contractors, or representatives of the same general character shall not be considered Employees, except as provided in subsections (3), (6), and (7).

**J. Exchange** means any national securities exchange registered under the Securities Exchange Act of 1934.

- K. Forgery** means the physical signing on a document of the name of another person (whether real or fictitious) with the intent to deceive. A Forgery may be by means of mechanically reproduced facsimile signatures as well as handwritten signatures. Forgery does not include the signing of an individual's own name, regardless of such individual's authority, capacity or purpose.
- L. Items of Deposit** means one or more checks or drafts.

- M. Investment Company or Fund** means an investment company registered under the Investment Company Act of 1940.
- N. Limit of Liability** means, with respect to any Insuring Agreement, the limit of liability of the Underwriter for any Single Loss covered by such Insuring Agreement as set forth under the heading **Limit of Liability** in Item 3 of the Declarations or in any Rider for such Insuring Agreement.
- O. Mysterious Disappearance** means any disappearance of Property which, after a reasonable investigation has been conducted, cannot be explained.
- P. Non-Fund** means any corporation, business trust, partnership, trust or other entity which is not an Investment Company.
- Q. Phone/Electronic Transaction Security Procedures** means security procedures for Phone/ Electronic Transactions as provided in writing to the Underwriter.
- R. Phone/Electronic Transaction** means any (1) redemption of shares issued by an Investment Company, (2) election concerning dividend options available to Fund shareholders, (3) exchange of shares in a registered account of one Fund into shares in an identically registered account of another Fund in the same complex pursuant to exchange privileges of the two Funds, or (4) purchase of shares issued by an Investment Company, which redemption, election, exchange or purchase is requested by voice over the telephone or through an Electronic Transmission.
- S. Property** means the following tangible items: money, postage and revenue stamps, precious metals, Securities, bills of exchange, acceptances, checks, drafts, or other written orders or directions to pay sums certain in money, certificates of deposit, due bills, money orders, letters of credit, financial futures contracts, conditional sales contracts, abstracts of title, insurance policies, deeds, mortgages, and assignments of any of the foregoing, and other valuable papers, including books of account and other records used by the Insured in the conduct of its business, and all other instruments similar to or in the nature of the foregoing (but excluding all data processing records), (1) in which the Insured has a legally cognizable interest, (2) in which the Insured acquired or should have acquired such an interest by reason of a predecessor's declared financial condition at the time of the Insured's consolidation or merger with, or purchase of the principal assets of, such predecessor or (3) which are held by the Insured for any purpose or in any capacity.
- T. Securities** means original negotiable or non-negotiable agreements or instruments which represent an equitable or legal interest, ownership or debt (including stock certificates, bonds, promissory notes, and assignments thereof), which are in the ordinary course of business and transferable by physical delivery with appropriate endorsement or assignment. **Securities** does not include bills of exchange, acceptances, certificates of deposit, checks, drafts, or other written orders or directions to pay sums certain in money, due bills, money orders, or letters of credit.
- U. Security Company** means an entity which provides or purports to provide the transport of Property by secure means, including, without limitation, by use of armored vehicles or guards.
- V. Self Regulatory Organization** means any association of investment advisers or securities dealers registered under the federal securities laws, or any Exchange.
- W. Shareholder of Record** means the record owner of shares issued by an Investment Company or, in the case of joint ownership of such shares, all record owners, as designated (1) in the initial account application, or (2) in writing accompanied by a signature guarantee, or (3) pursuant to procedures as set forth in the Application.



**X. Single Loss** means:

- (1) all loss resulting from any one actual or attempted Theft committed by one person, or

(2) all loss caused by any one act (other than a Theft or a Dishonest or Fraudulent Act) committed by one person, or

(3) all loss caused by Dishonest or Fraudulent Acts committed by one person, or

(4) all expenses incurred with respect to any one audit or examination, or

(5) all loss caused by any one occurrence or event other than those specified in subsections (1) through (4) above.

All acts or omissions of one or more persons which directly or indirectly aid or, by failure to report or otherwise, permit the continuation of an act referred to in subsections (1) through (3) above of any other person shall be deemed to be the acts of such other person for purposes of this subsection.

All acts or occurrences or events which have as a common nexus any fact, circumstance, situation, transaction or series of facts, circumstances, situations, or transactions shall be deemed to be one act, one occurrence, or one event.

**Y. Telefacsimile** means a system of transmitting and reproducing fixed graphic material (as, for example, printing) by means of signals transmitted over telephone lines or over the Internet.

**Z. Theft** means robbery, burglary or hold-up, occurring with or without violence or the threat of violence.

## **SECTION 2. EXCLUSIONS**

### **THIS BOND DOES NOT COVER:**

- A. Loss resulting from (1) riot or civil commotion outside the United States of America and Canada, or (2) war, revolution, insurrection, action by armed forces, or usurped power, wherever occurring; except if such loss occurs while the Property is in transit, is otherwise covered under Insuring Agreement D, and when such transit was initiated, the Insured or any person initiating such transit on the Insured's behalf had no knowledge of such riot, civil commotion, war, revolution, insurrection, action by armed forces, or usurped power.
- B. Loss in time of peace or war resulting from nuclear fission or fusion or radioactivity, or biological or chemical agents or hazards, or fire, smoke, or explosion, or the effects of any of the foregoing.
- C. Loss resulting from any Dishonest or Fraudulent Act committed by any person while acting in the capacity of a member of the Board of Directors or any equivalent body of the Insured or of any other entity.
- D. Loss resulting from any nonpayment or other default of any loan or similar transaction made by the Insured or any of its partners, directors, officers or employees, whether or not authorized and whether procured in good faith or through a Dishonest or Fraudulent Act, unless such loss is otherwise covered under Insuring Agreement A, E or F.
- E. Loss resulting from any violation by the Insured or by any Employee of any law, or any rule or regulation pursuant thereto or adopted by a Self Regulatory Organization, regulating the issuance, purchase or sale of securities, securities transactions upon security exchanges or over the counter markets, Investment Companies, or investment advisers, unless such loss, in the absence of such law, rule or regulation, would be covered under Insuring Agreement A, E or F.

- F. Loss resulting from Property that is the object of Theft, Dishonest or Fraudulent Act, or Mysterious Disappearance while in the custody of any Security Company, unless such loss is covered under this Bond and is in excess of the amount recovered or received by the Insured under (1) the Insured s

contract with such Security Company, and (2) insurance or indemnity of any kind carried by such Security Company for the benefit of, or otherwise available to, users of its service, in which case this Bond shall cover only such excess, subject to the applicable Limit of Liability and Deductible Amount.

- G. Potential income, including but not limited to interest and dividends, not realized by the Insured because of a loss covered under this Bond, except when covered under Insuring Agreement H.
- H. Loss in the form of (1) damages of any type for which the Insured is legally liable, except direct compensatory damages, or (2) taxes, fines, or penalties, including without limitation two-thirds of treble damage awards pursuant to judgments under any statute or regulation.
- I. Loss resulting from the surrender of Property away from an office of the Insured as a result of a threat
- (1) to do bodily harm to any person, except where the Property is in transit in the custody of any person acting as messenger as a result of a threat to do bodily harm to such person, if the Insured had no knowledge of such threat at the time such transit was initiated, or
- (2) to do damage to the premises or Property of the Insured, unless such loss is otherwise covered under Insuring Agreement A.
- J. All costs, fees and other expenses incurred by the Insured in establishing the existence of or amount of loss covered under this Bond, except to the extent certain audit expenses are covered under Insuring Agreement B.
- K. Loss resulting from payments made to or withdrawals from any account, involving funds erroneously credited to such account, unless such loss is otherwise covered under Insuring Agreement A.
- L. Loss resulting from uncollectible Items of Deposit which are drawn upon a financial institution outside the United States of America, its territories and possessions, or Canada.
- M. Loss resulting from the Dishonest or Fraudulent Acts, Theft, or other acts or omissions of an Employee primarily engaged in the sale of shares issued by an Investment Company to persons other than (1) a person registered as a broker under the Securities Exchange Act of 1934 or (2) an accredited investor as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, which is not an individual.
- N. Loss resulting from the use of credit, debit, charge, access, convenience, identification, cash management or other cards, whether such cards were issued or purport to have been issued by the Insured or by anyone else, unless such loss is otherwise covered under Insuring Agreement A.
- O. Loss resulting from any purchase, redemption or exchange of securities issued by an Investment Company or other Insured, or any other instruction, request, acknowledgement, notice or transaction involving securities issued by an Investment Company or other Insured or the dividends in respect thereof, when any of the foregoing is requested, authorized or directed or purported to be requested, authorized or directed by voice over the telephone or by Electronic Transmission, unless such loss is otherwise covered under Insuring Agreement A or Insuring Agreement I.
- P.

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Loss resulting from any Dishonest or Fraudulent Act or Theft committed by an Employee as defined in Section 1.I(2), unless such loss (1) could not have been reasonably discovered by the due diligence of the Insured at or prior to the time of acquisition by the Insured of the assets acquired from a predecessor, and (2) arose out of a lawsuit or valid claim brought against the Insured by a person unaffiliated with the Insured or with any person affiliated with the Insured.

- Q. Loss resulting from the unauthorized entry of data into, or the deletion or destruction of data in, or the change of data elements or programs within, any Computer System, unless such loss is otherwise covered under Insuring Agreement A.

### **SECTION 3. ASSIGNMENT OF RIGHTS**

Upon payment to the Insured hereunder for any loss, the Underwriter shall be subrogated to the extent of such payment to all of the Insured's rights and claims in connection with such loss; provided, however, that the Underwriter shall not be subrogated to any such rights or claims one named Insured under this Bond may have against another named Insured under this Bond. At the request of the Underwriter, the Insured shall execute all assignments or other documents and take such action as the Underwriter may deem necessary or desirable to secure and perfect such rights and claims, including the execution of documents necessary to enable the Underwriter to bring suit in the name of the Insured.

Assignment of any rights or claims under this Bond shall not bind the Underwriter without the Underwriter's written consent.

### **SECTION 4. LOSS NOTICE PROOF LEGAL PROCEEDINGS**

This Bond is for the use and benefit only of the Insured and the Underwriter shall not be liable hereunder to anyone other than the Insured. As soon as practicable and not more than sixty (60) days after discovery, the Insured shall give the Underwriter written notice thereof and, as soon as practicable and within one year after such discovery, shall also furnish to the Underwriter affirmative proof of loss with full particulars. The Underwriter may extend the sixty day notice period or the one year proof of loss period if the Insured requests an extension and shows good cause therefor.

See also General Agreement C (Court Costs and Attorneys' Fees).

The Underwriter shall not be liable hereunder for loss of Securities unless each of the Securities is identified in such proof of loss by a certificate or bond number or by such identification means as the Underwriter may require. The Underwriter shall have a reasonable period after receipt of a proper affirmative proof of loss within which to investigate the claim, but where the Property is Securities and the loss is clear and undisputed, settlement shall be made within forty-eight (48) hours even if the loss involves Securities of which duplicates may be obtained.

The Insured shall not bring legal proceedings against the Underwriter to recover any loss hereunder prior to sixty (60) days after filing such proof of loss or subsequent to twenty-four (24) months after the discovery of such loss or, in the case of a legal proceeding to recover hereunder on account of any judgment against the Insured in or settlement of any suit mentioned in General Agreement C or to recover court costs or attorneys' fees paid in any such suit, twenty-four (24) months after the date of the final judgment in or settlement of such suit. If any limitation in this Bond is prohibited by any applicable law, such limitation shall be deemed to be amended to be equal to the minimum period of limitation permitted by such law.

Notice hereunder shall be given to Manager, Professional Liability Claims, ICI Mutual Insurance Company, 1401 H St. NW, Washington, DC 20005.

### **SECTION 5. DISCOVERY**

For all purposes under this Bond, a loss is discovered, and discovery of a loss occurs, when the Insured

(1) becomes aware of facts, or

(2) receives notice of an actual or potential claim by a third party which alleges that the Insured is liable under circumstances, which would cause a reasonable person to assume that loss covered by this Bond has been or is likely to be incurred even though the exact amount or details of loss may not be known.

## **SECTION 6. VALUATION OF PROPERTY**

For the purpose of determining the amount of any loss hereunder, the value of any Property shall be the market value of such Property at the close of business on the first business day before the discovery of such loss; except that

- (1) the value of any Property replaced by the Insured prior to the payment of a claim therefor shall be the actual market value of such Property at the time of replacement, but not in excess of the market value of such Property on the first business day before the discovery of the loss of such Property;
- (2) the value of Securities which must be produced to exercise subscription, conversion, redemption or deposit privileges shall be the market value of such privileges immediately preceding the expiration thereof if the loss of such Securities is not discovered until after such expiration, but if there is no quoted or other ascertainable market price for such Property or privileges referred to in clauses (1) and (2), their value shall be fixed by agreement between the parties or by arbitration before an arbitrator or arbitrators acceptable to the parties; and
- (3) the value of books of accounts or other records used by the Insured in the conduct of its business shall be limited to the actual cost of blank books, blank pages or other materials if the books or records are reproduced plus the cost of labor for the transcription or copying of data furnished by the Insured for reproduction.

## **SECTION 7. LOST SECURITIES**

The maximum liability of the Underwriter hereunder for lost Securities shall be the payment for, or replacement of, such Securities having an aggregate value not to exceed the applicable Limit of Liability. If the Underwriter shall make payment to the Insured for any loss of Securities, the Insured shall assign to the Underwriter all of the Insured's right, title and interest in and to such Securities. In lieu of such payment, the Underwriter may, at its option, replace such lost Securities, and in such case the Insured shall cooperate to effect such replacement. To effect the replacement of lost Securities, the Underwriter may issue or arrange for the issuance of a lost instrument bond. If the value of such Securities does not exceed the applicable Deductible Amount (at the time of the discovery of the loss), the Insured will pay the usual premium charged for the lost instrument bond and will indemnify the issuer of such bond against all loss and expense that it may sustain because of the issuance of such bond.

If the value of such Securities exceeds the applicable Deductible Amount (at the time of discovery of the loss), the Insured will pay a proportion of the usual premium charged for the lost instrument bond, equal to the percentage that the applicable Deductible Amount bears to the value of such Securities upon discovery of the loss, and will indemnify the issuer of such bond against all loss and expense that is not recovered from the Underwriter under the terms and conditions of this Bond, subject to the applicable Limit of Liability.

## **SECTION 8. SALVAGE**

If any recovery is made, whether by the Insured or the Underwriter, on account of any loss within the applicable Limit of Liability hereunder, the Underwriter shall be entitled to the full amount of such recovery to reimburse the Underwriter for all amounts paid hereunder with respect to such loss. If any recovery is made, whether by the Insured or the Underwriter, on account of any loss in excess of the applicable Limit of Liability hereunder plus the Deductible Amount applicable to such loss from any source other than suretyship, insurance, reinsurance, security or indemnity taken by or for the benefit of the Underwriter, the amount of such recovery, net of the actual costs and expenses of recovery, shall be applied to reimburse the Insured in full for the portion of such loss in excess of such Limit of Liability, and the remainder, if any, shall be paid first to reimburse the Underwriter for all amounts paid hereunder with respect to such loss and then to the Insured to the extent of the portion of such loss within the Deductible Amount. The Insured shall execute all documents which the Underwriter deems necessary or desirable to secure to the Underwriter the rights provided for herein.

**SECTION 9. NON-REDUCTION AND NON-ACCUMULATION OF LIABILITY AND TOTAL LIABILITY**

Prior to its termination, this Bond shall continue in force up to the Limit of Liability for each Insuring Agreement for each Single Loss, notwithstanding any previous loss (other than such Single Loss) for which the Underwriter may have paid or be liable to pay hereunder; PROVIDED, however, that regardless of the number of years this Bond shall continue in force and the number of premiums which shall be payable or paid, the liability of the Underwriter under this Bond with respect to any Single Loss shall be limited to the applicable Limit of Liability irrespective of the total amount of such Single Loss and shall not be cumulative in amounts from year to year or from period to period.

**SECTION 10. MAXIMUM LIABILITY OF UNDERWRITER; OTHER BONDS OR POLICIES**

The maximum liability of the Underwriter for any Single Loss covered by any Insuring Agreement under this Bond shall be the Limit of Liability applicable to such Insuring Agreement, subject to the applicable Deductible Amount and the other provisions of this Bond. Recovery for any Single Loss may not be made under more than one Insuring Agreement. If any Single Loss covered under this Bond is recoverable or recovered in whole or in part because of an unexpired discovery period under any other bonds or policies issued by the Underwriter to the Insured or to any predecessor in interest of the Insured, the maximum liability of the Underwriter shall be the greater of either (1) the applicable Limit of Liability under this Bond, or (2) the maximum liability of the Underwriter under such other bonds or policies.

**SECTION 11. OTHER INSURANCE**

Notwithstanding anything to the contrary herein, if any loss covered by this Bond shall also be covered by other insurance or suretyship for the benefit of the Insured, the Underwriter shall be liable hereunder only for the portion of such loss in excess of the amount recoverable under such other insurance or suretyship, but not exceeding the applicable Limit of Liability of this Bond.

**SECTION 12. DEDUCTIBLE AMOUNT**

The Underwriter shall not be liable under any Insuring Agreement unless the amount of the loss covered thereunder, after deducting the net amount of all reimbursement and/or recovery received by the Insured with respect to such loss (other than from any other bond, suretyship or insurance policy or as an advance by the Underwriter hereunder) shall exceed the applicable Deductible Amount; in such case the Underwriter shall be liable only for such excess, subject to the applicable Limit of Liability and the other terms of this Bond.

No Deductible Amount shall apply to any loss covered under Insuring Agreement A sustained by any Investment Company named as an Insured.

**SECTION 13. TERMINATION**

The Underwriter may terminate this Bond as to any Insured or all Insureds only by written notice to such Insured or Insureds and, if this Bond is terminated as to any Investment Company, to each such Investment Company terminated thereby and to the Securities and Exchange Commission, Washington, D.C., in all cases not less than sixty (60) days prior to the effective date of termination specified in such notice.

The Insured may terminate this Bond only by written notice to the Underwriter not less than sixty (60) days prior to the effective date of the termination specified in such notice. Notwithstanding the foregoing, when the Insured terminates this Bond as to any Investment Company, the effective date of termination shall be not less than sixty (60) days from the date the Underwriter provides written notice of the termination to each such Investment Company terminated thereby and to the Securities and Exchange Commission, Washington, D.C.



This Bond will terminate as to any Insured that is a Non-Fund immediately and without notice upon (1) the takeover of such Insured's business by any State or Federal official or agency, or by any receiver or liquidator, or (2) the filing of a petition under any State or Federal statute relative to bankruptcy or reorganization of the Insured, or assignment for the benefit of creditors of the Insured.

Premiums are earned until the effective date of termination. The Underwriter shall refund the unearned premium computed at short rates in accordance with the Underwriter's standard short rate cancellation tables if this Bond is terminated by the Insured or pro rata if this Bond is terminated by the Underwriter.

Upon the detection by any Insured that an Employee has committed any Dishonest or Fraudulent Act(s) or Theft, the Insured shall immediately remove such Employee from a position that may enable such Employee to cause the Insured to suffer a loss by any subsequent Dishonest or Fraudulent Act(s) or Theft. The Insured, within two (2) business days of such detection, shall notify the Underwriter with full and complete particulars of the detected Dishonest or Fraudulent Act(s) or Theft.

For purposes of this section, detection occurs when any partner, officer, or supervisory employee of any Insured, who is not in collusion with such Employee, becomes aware that the Employee has committed any Dishonest or Fraudulent Act(s) or Theft.

This Bond shall terminate as to any Employee by written notice from the Underwriter to each Insured and, if such Employee is an Employee of an Insured Investment Company, to the Securities and Exchange Commission, in all cases not less than sixty (60) days prior to the effective date of termination specified in such notice.

#### **SECTION 14. RIGHTS AFTER TERMINATION**

At any time prior to the effective date of termination of this Bond as to any Insured, such Insured may, by written notice to the Underwriter, elect to purchase the right under this Bond to an additional period of twelve (12) months within which to discover loss sustained by such Insured prior to the effective date of such termination and shall pay an additional premium therefor as the Underwriter may require.

Such additional discovery period shall terminate immediately and without notice upon the takeover of such Insured's business by any State or Federal official or agency, or by any receiver or liquidator. Promptly after such termination the Underwriter shall refund to the Insured any unearned premium.

The right to purchase such additional discovery period may not be exercised by any State or Federal official or agency, or by any receiver or liquidator, acting or appointed to take over the Insured's business.

#### **SECTION 15. CENTRAL HANDLING OF SECURITIES**

The Underwriter shall not be liable for loss in connection with the central handling of securities within the systems established and maintained by any Depository ( Systems ), unless the amount of such loss exceeds the amount recoverable or recovered under any bond or policy or participants' fund insuring the Depository against such loss (the Depository's Recovery ); in such case the Underwriter shall be liable hereunder only for the Insured's share of such excess loss, subject to the applicable Limit of Liability, the Deductible Amount and the other terms of this Bond.

For determining the Insured's share of such excess loss, (1) the Insured shall be deemed to have an interest in any certificate representing any security included within the Systems equivalent to the interest the Insured then has in all certificates representing the same security included within the Systems; (2) the Depository shall have reasonably and fairly apportioned the Depository's Recovery

among all those having an interest as recorded by appropriate entries in the books and records of the Depository in Property involved in such loss, so that each such interest shall share in the Depository's Recovery in the ratio that the value of each such interest bears to the total value of all such interests; and (3) the Insured's share of such excess loss shall be the amount of the Insured's interest in such Property in excess of the amount(s) so apportioned to the Insured by the Depository.

This Bond does not afford coverage in favor of any Depository or Exchange or any nominee in whose name is registered any security included within the Systems.

#### **SECTION 16. ADDITIONAL COMPANIES INCLUDED AS INSURED**

If more than one entity is named as the Insured:

- A. the total liability of the Underwriter hereunder for each Single Loss shall not exceed the Limit of Liability which would be applicable if there were only one named Insured, regardless of the number of Insured entities which sustain loss as a result of such Single Loss,
- B. the Insured first named in Item 1 of the Declarations shall be deemed authorized to make, adjust, and settle, and receive and enforce payment of, all claims hereunder as the agent of each other Insured for such purposes and for the giving or receiving of any notice required or permitted to be given hereunder; provided, that the Underwriter shall promptly furnish each named Insured Investment Company with (1) a copy of this Bond and any amendments thereto, (2) a copy of each formal filing of a claim hereunder by any other Insured, and (3) notification of the terms of the settlement of each such claim prior to the execution of such settlement,
- C. the Underwriter shall not be responsible or have any liability for the proper application by the Insured first named in Item 1 of the Declarations of any payment made hereunder to the first named Insured,
- D. for the purposes of Sections 4 and 13, knowledge possessed or discovery made by any partner, officer or supervisory Employee of any Insured shall constitute knowledge or discovery by every named Insured,
- E. if the first named Insured ceases for any reason to be covered under this Bond, then the Insured next named shall thereafter be considered as the first named Insured for the purposes of this Bond, and
- F. each named Insured shall constitute the Insured for all purposes of this Bond.

#### **SECTION 17. NOTICE AND CHANGE OF CONTROL**

Within thirty (30) days after learning that there has been a change in control of an Insured by transfer of its outstanding voting securities the Insured shall give written notice to the Underwriter of:

- A. the names of the transferors and transferees (or the names of the beneficial owners if the voting securities are registered in another name), and
- B. the total number of voting securities owned by the transferors and the transferees (or the beneficial owners), both immediately before and after the transfer, and
- C. the total number of outstanding voting securities.

As used in this Section, control means the power to exercise a controlling influence over the management or policies of the Insured.



**SECTION 18. CHANGE OR MODIFICATION**

This Bond may only be modified by written Rider forming a part hereof over the signature of the Underwriter's authorized representative. Any Rider which modifies the coverage provided by Insuring Agreement A, Fidelity, in a manner which adversely affects the rights of an Insured Investment Company shall not become effective until at least sixty (60) days after the Underwriter has given written notice thereof to the Securities and Exchange Commission, Washington, D.C., and to each Insured Investment Company affected thereby.

IN WITNESS WHEREOF, the Underwriter has caused this Bond to be executed on the Declarations Page.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 1**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration of the premium charged for this Bond, it is hereby understood and agreed that Item 1 of the Declarations, Name of Insured, shall include the following:

Legg Mason Charles Street Trust, Inc., a series fund consisting of:

Batterymarch U.S. Small Capitalization Equity Portfolio  
Global Opportunities Bond Fund

Legg Mason Light Street Trust, Inc., a series fund consisting of:

Legg Mason Classic Valuation Fund

Legg Mason Global Trust, Inc., a series fund consisting of:

Legg Mason International Equity Trust  
Legg Mason Emerging Markets Trust

Legg Mason Income Trust, Inc., a series fund consisting of:

Legg Mason Limited Duration Portfolio  
Legg Mason Investment Grade Income Portfolio

Legg Mason Investors Trust, Inc., a series fund consisting of:

Legg Mason American Leading Companies Trust  
Legg Mason U.S. Small-Capitalization Value Trust

Legg Mason Investment Trust, Inc., a series fund consisting of:

Legg Mason Opportunity Trust

Legg Mason Special Investment Trust, Inc.

Legg Mason Tax-Free Income Fund, a series fund consisting of:

Legg Mason Maryland Tax-Free Income Trust

Legg Mason Value Trust, Inc.

Western Asset Income Fund, Inc.

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Western Asset/Claymore Inflation-Linked Securities & Income Fund

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Western Asset Premier Bond Fund

Western Asset Funds, Inc., a series fund consisting of:

Western Asset Core Plus Bond Portfolio  
Western Asset Core Bond Portfolio

Western Asset High Yield Portfolio  
Western Asset Inflation Indexed Plus Bond Portfolio  
Western Asset Intermediate Bond Portfolio  
Western Asset Intermediate Plus Portfolio  
Western Asset Limited Duration Bond Fund  
Western Asset Non-U.S. Opportunity Bond Portfolio  
Western Asset Absolute Return Portfolio

Barrett Opportunity Fund, Inc.

The Barrett Funds, a series fund consisting of:

Barrett Growth Fund

Legg Mason Partners Equity Trust, a series fund consisting of:

Legg Mason Partners Financial Services Fund  
Legg Mason Partners Global Equity Fund  
Legg Mason Partners Diversified Large Cap Growth Fund  
Legg Mason Partners 130/30 US Large Cap Equity Fund  
Legg Mason Partners Capital and Income Fund  
Legg Mason Partners Fundamental Value Fund  
Legg Mason Partners Lifestyle Allocation 30%  
Legg Mason Partners Lifestyle Allocation 50%  
Legg Mason Partners Lifestyle Income Fund  
Legg Mason Partners Lifestyle Allocation 85%  
Legg Mason Partners Lifestyle Allocation 70%  
Legg Mason Partners Large Cap Growth Fund  
Legg Mason Partners Aggressive Growth Fund  
Legg Mason Partners Lifestyle Allocation 100%  
Legg Mason Partners All Cap Fund  
Legg Mason Partners Mid Cap Core Fund  
Legg Mason Partners S&P 500 Index Fund  
Legg Mason Partners Capital Fund  
Legg Mason Partners Investors Value Fund  
Legg Mason Partners Small Cap Growth Fund  
Legg Mason Partners Convertible Fund  
Legg Mason Partners Appreciation Fund  
Legg Mason Partners Social Awareness Fund  
Legg Mason Partners International All Cap Opportunity Fund  
Legg Mason Partners Equity Fund  
Legg Mason Partners U.S. Large Cap Equity Fund  
Legg Mason Partners Emerging Markets Equity Fund  
Legg Mason Partners Small Cap Value Fund  
Legg Mason Partners Dividend Strategy Fund  
Legg Mason Partners Target Retirement 2015  
Legg Mason Partners Target Retirement 2020  
Legg Mason Partners Target Retirement 2025  
Legg Mason Partners Target Retirement 2030  
Legg Mason Partners Target Retirement 2035  
Legg Mason Partners Target Retirement 2040  
Legg Mason Partners Target Retirement 2045

Legg Mason Partners Target Retirement 2050  
Legg Mason Partners Target Retirement Fund  
Legg Mason Partners Equity Income Builder Fund  
Legg Mason Permal Tactical Allocation Fund

Legg Mason Partners Income Trust, a series fund consisting of:

Legg Mason Partners Strategic Income Fund  
Legg Mason Partners Government Securities Fund  
Legg Mason Partners Pennsylvania Municipals Fund  
Legg Mason Partners Oregon Municipals Fund  
Legg Mason Partners Intermediate Maturity New York Municipals Fund  
Legg Mason Partners New York Municipals Fund  
Legg Mason Partners California Municipals Fund  
Legg Mason Partners Core Bond Fund  
Legg Mason Partners Managed Municipals Fund  
Legg Mason Partners Intermediate Maturity California Municipals Fund  
Legg Mason Partners Municipal High Income Fund  
Legg Mason Partners Massachusetts Municipals Fund  
Legg Mason Partners New Jersey Municipals Fund  
Legg Mason Partners Intermediate-Term Municipals Fund  
Legg Mason Partners High Income Fund  
Legg Mason Partners Corporate Bond Fund  
Legg Mason Partners Core Plus Bond Fund  
Legg Mason Partners Short Term Bond Fund  
Legg Mason Partners Adjustable Rate Income Fund  
Legg Mason Partners Global Inflation Management Fund  
Western Asset Global High Yield Bond Portfolio  
Western Asset Emerging Markets Debt Portfolio  
Legg Mason Partners Global High Yield Bond Fund  
Legg Mason Partners Short Duration Municipal Income Fund

Legg Mason Partners Institutional Trust, a series fund consisting of:

Western Asset / Citi Institutional Liquid Reserves  
Western Asset / Citi Institutional U.S. Treasury Reserves  
Western Asset / Citi Institutional Cash Reserves  
Western Asset / Citi Institutional Tax Free Reserves  
SMASh Series M Fund  
SMASh Series C Fund  
SMASh Series EC Fund  
Western Asset Institutional Money Market Fund  
Western Asset Institutional Government Money Market Fund  
Western Asset Institutional Municipal Money Market Fund

Legg Mason Partners Money Market Trust, a series fund consisting of:

Western Asset / Citi California Tax Free Reserves  
Western Asset / Citi Cash Reserves  
Western Asset / Citi Tax Free Reserves  
Western Asset / Citi New York Tax Free Reserves  
Western Asset / Citi U.S. Treasury Reserves  
Western Asset / Citi Connecticut Tax Free Reserves  
Western Asset Massachusetts Municipal Money Market Fund



Western Asset Municipal Money Market Fund  
Western Asset New York Municipal Money Market  
Western Asset California Municipal Money Market  
Western Asset Money Market Fund  
Western Asset Government Money Market Fund

Legg Mason Partners Premium Money Market Trust, a series fund consisting of:

Western Asset / Citi Premium Liquid Reserves  
Western Asset / Citi Premium U.S. Treasury Reserves

Legg Mason Partners Variable Equity Trust, a series fund consisting of:

Legg Mason Partners Variable Global Equity Portfolio  
Legg Mason Partners Variable Capital and Income Portfolio  
Legg Mason Partners Variable Lifestyle Allocation 50%  
Legg Mason Partners Variable Aggressive Growth Portfolio  
Legg Mason Partners Variable International All Cap Opportunity Portfolio  
Legg Mason Partners Variable Appreciation Portfolio  
Legg Mason Partners Variable Lifestyle Allocation 85%  
Legg Mason Partners Variable Lifestyle Allocation 70%  
Legg Mason Partners Variable Dividend Strategy Portfolio  
Legg Mason Partners Variable Large Cap Growth Portfolio  
Legg Mason Partners Variable Mid Cap Core Portfolio  
Legg Mason Partners Variable Social Awareness Portfolio  
Legg Mason Partners Variable Investors Portfolio  
Legg Mason Partners Variable Small Cap Growth Portfolio  
Legg Mason Partners Variable Fundamental Value Portfolio  
Legg Mason Partners Variable Capital Portfolio

Legg Mason Partners Variable Income Trust, a series fund consisting of:

Legg Mason Partners Variable Diversified Strategic Income Portfolio  
Legg Mason Partners Variable Money Market Portfolio  
Legg Mason Partners Variable High Income Portfolio  
Legg Mason Partners Variable Strategic Bond Portfolio  
Legg Mason Partners Variable Global High Yield Bond Portfolio  
Legg Mason Partners Variable Adjustable Rate Income Portfolio

Master Portfolio Trust, a series fund consisting of:

Liquid Reserves  
Tax Free Reserves Portfolio  
U.S. Treasury Reserves Portfolio  
Prime Cash Reserves Portfolio  
Government Portfolio

LMP Capital and Income Fund Inc.

LMP Corporate Loan Fund Inc.

LMP Real Estate Income Fund Inc.

Western Asset Emerging Markets Debt Fund Inc.

Western Asset Emerging Markets Floating Rate Fund Inc.

Western Asset Emerging Markets Income Fund Inc.

Western Asset Global High Income Fund Inc.

Western Asset Global Partners Income Fund Inc.

Western Asset High Income Fund II Inc.

Western Asset High Income Fund Inc.

Western Asset High Income Opportunity Fund Inc.

Western Asset Inflation Management Fund Inc.

Western Asset Intermediate Muni Fund Inc.

Western Asset Managed High Income Fund Inc.

Western Asset Managed Municipals Fund Inc.

Western Asset Municipal High Income Fund Inc.

Western Asset Municipal Partners Fund Inc.

Western Asset Variable Rate Strategic Fund Inc.

Western Asset Worldwide Income Fund Inc.

Western Asset Investment Grade Defined Opportunity Trust Inc.

Western Asset Municipal Defined Opportunity Trust Inc.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 2**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration of the premium charged for this Bond, it is hereby understood and agreed that notwithstanding Section 2.Q of this Bond, this Bond is amended by adding an additional Insuring Agreement J as follows:

**J. COMPUTER SECURITY**

Loss (including loss of Property) resulting directly from Computer Fraud; provided, that the Insured has adopted in writing and generally maintains and follows during the Bond Period all Computer Security Procedures. The isolated failure of the Insured to maintain and follow a particular Computer Security Procedure in a particular instance will not preclude coverage under this Insuring Agreement, subject to the specific exclusions herein and in the Bond.

1. Definitions. The following terms used in this Insuring Agreement shall have the following meanings:

- a. Authorized User means any person or entity designated by the Insured (through contract, assignment of User Identification, or otherwise) as authorized to use a Covered Computer System, or any part thereof. An individual who invests in an Insured Fund shall not be considered to be an Authorized User solely by virtue of being an investor.
- b. Computer Fraud means the unauthorized entry of data into, or the deletion or destruction of data in, or change of data elements or programs within, a Covered Computer System which:
  - (1) is committed by any Unauthorized Third Party anywhere, alone or in collusion with other Unauthorized Third Parties; and
  - (2) is committed with the conscious manifest intent (a) to cause the Insured to sustain a loss, and (b) to obtain financial benefit for the perpetrator or any other person; and

- (3) causes (x) Property to be transferred, paid or delivered; or (y) an account of the Insured, or of its customer, to be added, deleted, debited or credited; or (z) an unauthorized or fictitious account to be debited or credited.

- c. Computer Security Procedures means procedures for prevention of unauthorized computer access and use and administration of computer access and use as provided in writing to the Underwriter.
- d. Covered Computer System means any Computer System as to which the Insured has possession, custody and control.
- e. Unauthorized Third Party means any person or entity that, at the time of the Computer Fraud, is not an Authorized User.
- f. User Identification means any unique user name (*i.e.*, a series of characters) that is assigned to a person or entity by the Insured.

2. Exclusions. It is further understood and agreed that this Insuring Agreement J shall not cover:

- a. Any loss covered under Insuring Agreement A, Fidelity, of this Bond; and
- b. Any loss resulting directly or indirectly from Theft or misappropriation of confidential or proprietary information, material or data (including but not limited to trade secrets, computer programs or customer information); and
- c. Any loss resulting from the intentional failure to adhere to one or more Computer Security Procedures; and
- d. Any loss resulting from a Computer Fraud committed by or in collusion with:
  - (1) any Authorized User (whether a natural person or an entity); or
  - (2) in the case of any Authorized User which is an entity, (a) any director, officer, partner, employee or agent of such Authorized User, or (b) any entity which controls, is controlled by, or is under common control with such Authorized User ( Related Entity ), or (c) any director, officer, partner, employee or agent of such Related Entity; or
  - (3) in the case of any Authorized User who is a natural person, (a) any entity for which such Authorized User is a director, officer, partner, employee or agent ( Employer Entity ), or (b) any director, officer, partner, employee or agent of such Employer Entity, or (c) any entity which controls, is controlled by, or is under common control with such Employer Entity ( Employer-Related Entity ), or (d) any director, officer, partner, employee or agent of such Employer-Related Entity;

and

- e. Any loss resulting from physical damage to or destruction of any Covered Computer System, or any part thereof, or any data, data elements or media associated therewith; and
- f. Any loss resulting from Computer Fraud committed by means of wireless access to any Covered Computer System, or any part thereof, or any data, data elements or media associated therewith; and
- g. Any loss not directly and proximately caused by Computer Fraud (including, without limitation, disruption of business and extra expense); and
- h. Payments made to any person(s) who has threatened to deny or has denied authorized access to a Covered Computer System or otherwise has threatened to disrupt the business of the Insured.

For purposes of this Insuring Agreement, Single Loss, as defined in Section 1.X of this Bond, shall also include all loss caused by Computer Fraud(s) committed by one person, or in which one person is implicated, whether or not that person is specifically identified. A series of losses involving unidentified individuals, but arising from the same method of operation, may be deemed by the Underwriter to involve the same individual and in that event shall be treated as a Single Loss.

It is further understood and agreed that nothing in this Rider shall affect the exclusion set forth in Section 2.0 of this Bond.

Coverage under this Insuring Agreement shall terminate upon termination of this Bond. Coverage under this Insuring Agreement may also be terminated without terminating this Bond as an entirety:

- (a) by written notice from the Underwriter not less than sixty (60) days prior to the effective date of termination specified in such notice; or
- (b) immediately by written notice from the Insured to the Underwriter.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 3**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration of the premium charged for this Bond, it is hereby understood and agreed that the Deductible Amount for Insuring Agreement E, Forgery or Alteration, and Insuring Agreement F, Securities, shall not apply with respect to loss through Forgery of a signature on the following documents:

- (1) letter requesting redemption of \$50,000 or less payable by check to the shareholder of record and addressed to the address of record; or,
- (2) letter requesting redemption of \$50,000 or less by wire transfer to the record shareholder's bank account of record; or
- (3) written request to a trustee or custodian for a Designated Retirement Account ( DRA ) which holds shares of an Insured Fund, where such request (a) purports to be from or at the instruction of the Owner of such DRA, and (b) directs such trustee or custodian to transfer \$50,000 or less from such DRA to a trustee or custodian for another DRA established for the benefit of such Owner; provided, that the Limit of Liability for a Single Loss as described above shall be \$50,000 and that the Insured shall bear 20% of each such loss. This Rider shall not apply in the case of any such Single Loss which exceeds \$50,000; in such case the Deductible Amounts and Limits of Liability set forth in Item 3 of the Declarations shall control.

For purposes of this Rider:

- (A) Designated Retirement Account means any retirement plan or account described or qualified under the Internal Revenue Code of 1986, as amended, or a subaccount thereof.
- (B) Owner means the individual for whose benefit the DRA, or a subaccount thereof, is established. Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.



**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 4**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration of the premium charged for this Bond, it is hereby understood and agreed that this Bond does not cover any loss resulting from or in connection with the acceptance of any Third Party Check, unless

- (1) such Third Party Check is used to open or increase an account which is registered in the name of one or more of the payees on such Third Party Check, and
- (2) reasonable efforts are made by the Insured, or by the entity receiving Third Party Checks on behalf of the Insured, to verify all endorsements on all Third Party Checks made payable in amounts greater than \$100,000 (provided, however, that the isolated failure to make such efforts in a particular instance will not preclude coverage, subject to the exclusions herein and in the Bond), and then only to the extent such loss is otherwise covered under this Bond.

For purposes of this Rider, **Third Party Check** means a check made payable to one or more parties and offered as payment to one or more other parties.

It is further understood and agreed that notwithstanding anything to the contrary above or elsewhere in the Bond, this Bond does not cover any loss resulting from or in connection with the acceptance of a Third Party Check where:

- (1) any payee on such Third Party Check reasonably appears to be a corporation or other entity; or
- (2) such Third Party Check is made payable in an amount greater than \$100,000 and does not include the purported endorsements of all payees on such Third Party Check.

It is further understood and agreed that this Rider shall not apply with respect to any coverage that may be available under Insuring Agreement A, Fidelity.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 5**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration of the premium charged for this Bond, it is hereby understood and agreed that, notwithstanding anything to the contrary in General Agreement A of this Bond, Item 1 of the Declarations shall include any Newly Created Investment Company or portfolio provided that the Insured shall submit to the Underwriter within fifteen (15) days after the end of each calendar quarter, a list of all Newly Created Investment Companies or portfolios, the estimated annual assets of each Newly Created Investment Company or portfolio, and copies of any prospectuses and statements of additional information relating to such Newly Created Investment Companies or portfolios, unless said prospectuses and statements of additional information have been previously submitted. Following the end of a calendar quarter, any Newly Created Investment Company or portfolio created within the preceding calendar quarter will continue to be an Insured only if the Underwriter is notified as set forth in this paragraph, the information required herein is provided to the Underwriter, and the Underwriter acknowledges the addition of such Newly Created Investment Company or portfolio to the Bond by a Rider to this Bond.

For purposes of this Rider, Newly Created Investment Company or portfolio shall mean any Investment Company or portfolio for which registration with the SEC has been declared effective for a time period of less than one calendar quarter.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 6**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration for the premium charged for this Bond, it is hereby understood and agreed that, with respect to Insuring Agreement I only, the Deductible Amount set forth in Item 3 of the Declarations ( Phone/Electronic Deductible ) shall not apply with respect to a Single Loss, otherwise covered by Insuring Agreement I, caused by:

- (1) Phone/Electronic Redemption requested to be paid or made payable by check to the Shareholder of Record at the address of record;  
or
- (2) Phone/Electronic Redemption requested to be paid or made payable by wire transfer to the Shareholder of Record's bank account of record,  
provided, that the Limit of Liability for a Single Loss as described in (1) or (2) above shall be the lesser of 80% of such loss or \$40,000 and that the Insured shall bear the remainder of each such Loss. This Rider shall not apply if the application of the Phone/Electronic Deductible to the Single Loss would result in coverage of greater than \$40,000 or more; in such case the Phone-initiated Deductible and Limit of Liability set forth in Item 3 of the Declarations shall control.

For purposes of this Rider, Phone/Electronic Redemption means any redemption of shares issued by an Investment Company, which redemption is requested (a) by voice over the telephone, or (b) by Telefacsimile.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 7**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration of the premium charged for this Bond, it is hereby understood and agreed that notwithstanding anything to the contrary in this Bond (including Insuring Agreement I), this Bond does not cover loss caused by a Phone/Electronic Transaction requested:

by use of an automated telephone tone or voice response system ; or

by transmissions over the Internet (including any connected or associated intranet or extranet) or utilizing modem or similar connections; or

by wireless device transmissions over the Internet (including any connected or associated intranet or extranet), except insofar as such loss is covered under Insuring Agreement A Fidelity of this Bond.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 8**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

Most property and casualty insurers, including ICI Mutual Insurance Company ( **ICI Mutual** ), are subject to the requirements of the Terrorism Risk Insurance Act of 2002, as amended (the **Act** ). The Act establishes a Federal insurance backstop under which ICI Mutual and these other insurers will be partially reimbursed for future **insured losses** resulting from certified **acts of terrorism**. (Each of these **bolded terms** is defined by the Act.) The Act also places certain disclosure and other obligations on ICI Mutual and these other insurers.

Pursuant to the Act, any future losses to ICI Mutual caused by certified **acts of terrorism** will be partially reimbursed by the United States government under a formula established by the Act. Under this formula, the United States government will reimburse ICI Mutual for 90% of ICI Mutual's **insured losses** in excess of a statutorily established deductible until total insured losses of all participating insurers reach \$100 billion. If total **insured losses** of all property and casualty insurers reach \$100 billion during any applicable period, the Act provides that the insurers will not be liable under their policies for their portions of such losses that exceed such amount. Amounts otherwise payable under this bond may be reduced as a result.

This bond has no express exclusion for **acts of terrorism**. However, coverage under this bond remains subject to all applicable terms, conditions and limitations of the bond (including exclusions) that are permissible under the Act. The portion of the premium that is attributable to any coverage potentially available under the bond for **acts of terrorism** is one percent (1%).

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 9**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration of the premium charged for this Bond, it is hereby understood and agreed that the exclusion set forth at Section 2.M of this Bond shall not apply with respect to loss resulting from the Dishonest or Fraudulent Acts, Theft, or other acts or omissions of an Employee in connection with offers or sales of securities issued by an Insured Fund if such Employee (a) is an employee of that Fund or of its investment adviser, principal underwriter, or affiliated transfer agent, and (b) is communicating with purchasers of such securities only by telephone or in writing, and (c) does not receive commissions on such sales; provided, that such Dishonest or Fraudulent Acts, Theft, or other acts or omissions do not involve, and such loss does not arise from, a statement or representation which is not (1) contained in a currently effective prospectus or Statement of Additional Information regarding such securities, which has been filed with the Securities and Exchange Commission, or (2) made as part of a scripted response to a question regarding that Fund or such securities, if the script has been filed with, and not objected to by, the Financial Industry Regulatory Authority; and if the entire scripted response has been read to the caller, and if any response concerning the performance of such securities is not outdated.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 10**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration of the premium charged for this Bond, it is hereby understood and agreed that Section 5 of this Bond is amended to read as follows:

Discovery occurs when an individual(s) operating in the role of the Chief Compliance Officer of the Insured Funds, Chief Legal Officer of the Insured Funds, Director Corporate Insurance of Legg Mason, Inc., or Treasurer of the Insured Funds becomes aware of facts which would cause a reasonable person to assume that a loss covered by the Bond has been or is likely to be incurred, regardless of when the act causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known. Notice to an individual(s) operating in the role of the Chief Compliance Officer of the Insured Funds, Chief Legal Officer of the Insured Funds, Director Corporate Insurance of Legg Mason, Inc. or Treasurer of the Insured Funds of an actual or potential claim by a third party which alleged that the Insured is liable under circumstances which, if true, would create a loss under this Bond, constitutes such discovery.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**ICI MUTUAL INSURANCE COMPANY,**

**a Risk Retention Group**

**INVESTMENT COMPANY BLANKET BOND**

**RIDER NO. 11**

**INSURED**

**Legg Mason Growth Trust, Inc.**

**BOND NUMBER**

**87028109B**

**EFFECTIVE DATE**

**July 1, 2009**

**BOND PERIOD**

**July 1, 2009 to July 1, 2010**

**AUTHORIZED REPRESENTATIVE**

**/S/ Matthew Link**

In consideration for the premium charged for this Bond, it is hereby understood and agreed that notwithstanding anything to the contrary in this Bond (including Insuring Agreement I), this Bond does not cover any loss resulting from any On-Line Redemption(s) or On-Line Purchase(s) involving an aggregate amount in excess of \$250,000 per shareholder account per day, unless before such redemption(s) or purchase(s), in a procedure initiated by the Insured or by the entity receiving the request for such On-Line Redemption(s) or On-Line Purchase(s):

(i) the Shareholder of Record verifies, by some method other than an Electronic Transmission effected by computer-to-computer over the Internet or utilizing modem or similar connections, that each such redemption or purchase has been authorized, and (ii) if such redemption or purchase is to be effected by wire to or from a particular bank account, a duly authorized employee of the bank verifies the account number to or from which funds are being transferred, and that the name on the account is the same as the name of the intended recipient of the proceeds.

It is further understood and agreed that, notwithstanding the Limit of Liability set forth herein or any other provision of this Bond, the Limit of Liability with respect to any Single Loss caused by an On-Line Transaction shall be Ten Million Dollars (\$10,000,000) and the On-Line Deductible with respect to Insuring Agreement I is Fifty Thousand Dollars (\$50,000).

It is further understood and agreed that notwithstanding Section 8, Non-Reduction and Non-Accumulation of Liability and Total Liability, or any other provision of this Bond, the Aggregate Limit of Liability of the Underwriter under this Bond with respect to any and all loss or losses caused by On-Line Transactions shall be an aggregate of Ten Million Dollars (\$10,000,000) for the Bond Period, irrespective of the total amount of such loss or losses.

For purposes of this Rider, the following terms shall have the following meanings:

**On-Line Purchase** means any purchase of shares issued by an Investment Company, which purchase is requested by computer-to-computer transmissions over the Internet (including any connected or associated intranet or extranet) or utilizing modem or similar connections.



**On-Line Redemption** means any redemption of shares issued by an Investment Company, which redemption is requested by computer-to-computer transmissions over the Internet (including any connected or associated intranet or extranet) or utilizing modem or similar connections.

**On-Line Transaction** means any Phone/Electronic Transaction requested by computer-to-computer transmissions over the Internet (including any connected or associated intranet or extranet) or utilizing modem or similar connections.

Except as above stated, nothing herein shall be held to alter, waive or extend any of the terms of this Bond.

**RESOLVED:** That pursuant to Rule 17d-1(d)(7) under the Investment Company Act of 1940, as amended (the 1940 Act ), the Board hereby finds that each Fund's participation in the joint liability insurance policies is in the best interest of each Fund; and further

**RESOLVED:** That each of the Funds and its Board Members be included as insured parties under a Directors and Officers/Errors and Omissions Liability Insurance Policy (the Policy ) issued by ICI Mutual Insurance Company to certain investment companies in the Legg Mason Partners Funds complex, Legg Mason Funds complex, Western Asset Funds complex, Western Asset Claymore Funds complex and to Barrett Opportunity Fund Inc. to which the investment advisers, administrators, affiliated principal underwriter, Board Members and officers of such investment companies are parties, and which provides coverage to such parties against liabilities and expenses (with certain exceptions) arising out of claims, actions or proceedings asserted or threatened against them in their respective capacities for the investment companies; and further

**RESOLVED:** That the portion of the aggregate premium for the Policy of \$6,033,708 to be allocated to each of the Funds for the period July 1, 2009 through June 30, 2010, is fair and reasonable to each of the Funds; and further

**RESOLVED:** That each of the Funds, on behalf of its current and future Board Members who are not interested persons of the respective Fund as defined in the 1940 Act or who are otherwise covered by a joint Independent Directors Liability Insurance Policy underwritten by each of the commercial carriers (collectively referred to as the IDL Policies ), has agreed to participate in the IDL Policies, which provide coverage to such parties against liabilities and expenses (with certain exceptions) arising out of claims, actions or proceedings asserted or threatened against them in their respective capacities for the investment companies; and further

**RESOLVED:** That the portion of the aggregate premium for the IDL Policies of \$547,500 to be allocated to each of the Funds for the period July 1, 2009 through June 30, 2010, is fair and reasonable to each of the Funds; and further

**RESOLVED:** That the purchase of the fidelity bond coverage with ICI Mutual Insurance Company for the period July 1, 2009 through June 30, 2010, which coverage is maintained jointly on behalf of each of the Funds and the other parties named as insureds therein, including certain investment companies in the Legg Mason Partners Funds complex, Legg Mason Funds complex, Western Asset Funds complex, Western Asset Claymore Funds complex and to Barrett Opportunity Fund Inc. and Barrett Growth Fund Inc., and which provides coverage in the aggregate amount of \$75 million is approved; and further

**RESOLVED:**

That it is the finding of the Board that the fidelity bond coverage with ICI Mutual Insurance Company for the July 1, 2009 through June 30, 2010 policy period in the aggregate amount of \$75 million covering among others, officers and employees of each of the Funds in accordance with the requirements of Rule 17g-1 under the 1940 Act, is reasonable in form and amount, after having given due consideration to, among other things, the value of the aggregate assets of each of the Funds to which any person covered under the fidelity bond may have access, the type and terms of the arrangements made for the custody and safekeeping of assets of each of the Funds and the nature of the securities in each of the Funds series; and further

**RESOLVED:**

That the payment by each of the Funds of its portion of the total premium of \$407,235 for the period July 1, 2009 through June 30, 2010 for the aforementioned joint insured fidelity bond is fair and reasonable and therefore approved, taking into consideration, among other things, the number of parties named as insureds, the nature of the business activities of such parties, the amount of the joint insured fidelity bond; the amount of the premium to be allocated among all parties as insureds; and the extent to which the share of the premium allocated to each of the Funds is less than the premium that each of the Funds would have had to pay if it had provided and maintained a single insured bond; and further

**RESOLVED:**

That the Agreement Concerning Allocation of Fidelity Bond Premiums and Recoveries entered into among the Funds and the other named insureds under the foregoing fidelity bond coverage is approved and that each officer of the Fund, acting singly, is authorized to execute and deliver such Agreement, with such changes as such officer may by his execution and delivery approve, the execution and delivery of said Agreement to be conclusive evidence of the Trustees approval; and further

**RESOLVED:**

That the officers of the Fund are authorized to make any and all payments, in the name and on behalf of the Fund, as they, or any of them, may determine to be necessary or desirable and proper in connection with or in furtherance of the foregoing resolutions; and further

**RESOLVED:**

That the officers of the Fund are directed to file the fidelity bond with the Securities and Exchange Commission and to make the other filings and give the notices as required by Paragraph (g) of Rule 17g-1 of the 1940 Act.

## US 40 Act Funds 09-10 Insurance Premium Allocation

As of 6/30/09

Fund ID	Fund Board	Fund Name	Fund Gross Assets 6/30/09	Actual Funds Fidelity Premium allocation for 2009-2010	Coverage By Fund	Coverage by Trust
N4O5	Barrett Opp	Barrett Opportunity Fund, Inc.	62,360,667.61	1,266.05	400,000	\$ 400,000
	<b>LMP Equity</b>	<b>Legg Mason Partners Equity Trust</b>				
963	LMP Equity	Legg Mason Partners Financial Services Fund	58,444,113.86	1,266.59	400,000	
KVC3	LMP Equity	Legg Mason Partners Global Equity Fund	149,027,011.76	1,891.47	525,000	
KVC5	LMP Equity	Legg Mason Partners Diversified Large Cap Growth Fund	86,657,803.93	1,422.05	450,000	
N49K	LMP Equity	Legg Mason Partners 130/30 US Large Cap Equity Fund	6,883,491.11	477.03	150,000	
N4BK	LMP Equity	Legg Mason Partners Capital and Income Fund	1,788,080,212.03	4,534.63	1,500,000	
N4C1	LMP Equity	Legg Mason Partners Fundamental Value Fund	1,986,751,304.43	4,507.40	1,500,000	
N4F0	LMP Equity	Legg Mason Partners Lifestyle Allocation 30%	83,898,915.23	1,422.42	450,000	
N4F6	LMP Equity	Legg Mason Partners Lifestyle Allocation 50%	240,276,324.67	1,878.96	600,000	
N4F7	LMP Equity	Legg Mason Partners Lifestyle Income Fund	31,929,707.69	951.57	300,000	
N4F8	LMP Equity	Legg Mason Partners Lifestyle Allocation 85%	455,886,606.05	2,327.38	750,000	
N4F9	LMP Equity	Legg Mason Partners Lifestyle Allocation 70%	384,968,979.44	2,337.10	750,000	
N4L1	LMP Equity	Legg Mason Partners Large Cap Growth Fund	1,966,194,136.67	4,510.21	1,500,000	
N4L9	LMP Equity	Legg Mason Partners Aggressive Growth Fund	4,385,459,353.78	7,365.07	2,500,000	
N4LF	LMP Equity	Legg Mason Partners Lifestyle Allocation 100%	61,924,498.79	1,266.11	400,000	
N4M0	LMP Equity	Legg Mason Partners All Cap Fund	402,897,149.03	2,334.64	750,000	
N4M5	LMP Equity	Legg Mason Partners Mid Cap Core Fund	688,614,663.65	2,773.45	900,000	
N4N3	LMP Equity	Legg Mason Partners S&P 500 Index Fund	248,987,953.47	1,877.77	600,000	
N4O8	LMP Equity	Legg Mason Partners Capital Fund	426,431,932.49	2,331.42	750,000	
N4O9	LMP Equity	Legg Mason Partners Investors Value Fund	635,376,296.59	2,780.75	900,000	
N4P0	LMP Equity	Legg Mason Partners Small Cap Growth Fund	642,951,790.19	2,779.71	900,000	
N4P3	LMP Equity	Legg Mason Partners Convertible Fund	41,362,403.00	1,109.61	350,000	
N4P5	LMP Equity	Legg Mason Partners Appreciation Fund	3,810,799,098.12	6,806.55	2,300,000	

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N4P7	LMP Equity	Legg Mason Partners Social Awareness Fund	149,245,906.22	1,652.45	525,000
N4Q4	LMP Equity	Legg Mason Partners International All Cap Opportunity Fund	201,703,018.47	1,884.25	600,000

Fund ID	Fund Board	Fund Name	Fund Gross Assets 6/30/09	Actual Funds Fidelity Premium allocation for 2009-2010	Coverage By Fund	Coverage by Trust
N4T8	LMP Equity	Legg Mason Partners Equity Fund	453,856,096.08	2,327.66	750,000	
N4TP	LMP Equity	Legg Mason Partners U.S. Large Cap Equity Fund	423,689,956.35	2,331.79	750,000	
N4VG	LMP Equity	Legg Mason Partners Emerging Markets Equity Fund	32,151,802.02	951.54	300,000	
N4W6	LMP Equity	Legg Mason Partners Small Cap Value Fund	195,839,184.53	1,885.05	600,000	
N4WC	LMP Equity	Legg Mason Partners Dividend Strategy Fund	1,588,041,088.24	4,562.05	1,500,000	
N4XD	LMP Equity	Legg Mason Partners Target Retirement 2015	1,232,850.81	318.48	100,000	
N4XE	LMP Equity	Legg Mason Partners Target Retirement 2020	1,383,024.85	318.46	100,000	
N4XF	LMP Equity	Legg Mason Partners Target Retirement 2025	1,169,879.00	318.49	100,000	
N4XG	LMP Equity	Legg Mason Partners Target Retirement 2030	1,461,160.57	318.45	100,000	
N4XH	LMP Equity	Legg Mason Partners Target Retirement 2035	939,018.39	238.86	75,000	
N4XI	LMP Equity	Legg Mason Partners Target Retirement 2040	980,903.53	238.85	75,000	
N4XJ	LMP Equity	Legg Mason Partners Target Retirement 2045	906,305.86	238.86	75,000	
N4XL	LMP Equity	Legg Mason Partners Target Retirement 2050	867,823.32	238.87	75,000	
N4XM	LMP Equity	Legg Mason Partners Target Retirement Fund	1,045,943.43	318.51	100,000	
N4XN	LMP Equity	Legg Mason Partners Equity Income Builder Fund	30,379,326.88	951.79	300,000	
N4XW	LMP Equity	Legg Mason Permal Tactical Allocation Fund	8,540,077.68	556.47	175,000	
<b>TOTAL SUM GROSS ASSETS</b>			<b>\$ 21,739,597,779.82</b>		<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 2,500,000</b>
	<b>LMP FI</b>	<b>Legg Mason Partners Income Trust</b>				
N410	LMP FI	Legg Mason Partners Strategic Income Fund	513,576,427.20	2,797.45	900,000	
N4B6	LMP FI	Legg Mason Partners Government Securities Fund	791,492,454.98	3,078.00	1,000,000	
N4H7	LMP FI	Legg Mason Partners Pennsylvania Municipals Fund	199,999,046.47	1,884.48	600,000	
N4H9	LMP FI	Legg Mason Partners Oregon Municipals Fund	98,435,771.56	1,420.43	450,000	
N4I1	LMP FI	Legg Mason Partners Intermediate Maturity NY Municipals Fund	173,646,258.34	1,888.10	600,000	
N4I3	LMP FI	Legg Mason Partners New York Municipals Fund	831,901,770.61	3,072.46	1,000,000	
N4I5	LMP FI	Legg Mason Partners California Municipals Fund	802,131,324.32	3,076.54	1,000,000	
N4I6	LMP FI	Legg Mason Partners Core Bond Fund	306,309,049.73	2,347.89	750,000	
N4I9	LMP FI	Legg Mason Partners Managed Municipals Fund	4,369,881,610.76	7,367.20	2,500,000	
N4J0	LMP FI		114,852,460.06	1,657.17	525,000	

Legg Mason Partners Intermediate Maturity  
CA Municipals Fund

Fund ID	Fund Board	Fund Name	Fund Gross Assets 6/30/09	Actual Funds Fidelity Premium allocation for 2009-2010	Coverage By Fund	Coverage by Trust	
N4J2	LMP FI	Legg Mason Partners Municipal High Income Fund	585,993,832.57	2,787.52	900,000		
N4J3	LMP FI	Legg Mason Partners Massachusetts Municipals Fund	120,895,580.18	1,656.34	525,000		
N4J5	LMP FI	Legg Mason Partners New Jersey Municipals Fund	288,027,044.31	2,350.39	750,000		
N4J6	LMP FI	Legg Mason Partners Intermediate-Term Municipals Fund	1,084,348,020.96	3,834.48	1,250,000		
N4J7	LMP FI	Legg Mason Partners High Income Fund	396,412,053.27	2,335.53	750,000		
N4K5	LMP FI	Legg Mason Partners Corporate Bond Fund	601,342,653.39	2,785.42	900,000		
N4K6	LMP FI	Legg Mason Partners Core Plus Bond Fund	195,901,897.29	1,885.05	600,000		
N4K7	LMP FI	Legg Mason Partners Short Term Bond Fund	379,936,586.90	2,337.79	750,000		
N4N0	LMP FI	Legg Mason Partners Adjustable Rate Income Fund	242,333,715.14	1,878.68	600,000		
N4Q8	LMP FI	Legg Mason Partners Global Inflation Management Fund	67,353,656.49	1,265.37	400,000		
N4T9	LMP FI	Western Asset Global High Yield Debt Portfolio	46,238,038.69	1,108.94	350,000		
N4U0	LMP FI	Western Asset Emerging Markets Debt Portfolio	13,609,319.52	635.43	200,000		
N4U3	LMP FI	Legg Mason Partners Global High Yield Bond Fund	717,281,236.82	2,769.52	900,000		
N4Y4	LMP FI	Legg Mason Partners Short Duration Muni Income Fund	495,841,145.09	2,321.90	750,000		
<b>TOTAL SUM GROSS ASSETS</b>					<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 2,500,000</b>	
					<b>\$ 13,437,740,954.65</b>		<b>\$ 2,500,000</b>
<b>LMP FI Legg Mason Partners Institutional Trust</b>							
LI11	LMP FI (spoke)	Western Asset / Citi Institutional Liquid Reserves	7,609,404,698.55	6,923.11	2,500,000		
LI19	LMP FI (spoke)	Western Asset / Citi Institutional U.S. Treasury Reserves	21,145,088,279.81	5,067.54	2,500,000		
LI33	LMP FI (spoke)	Western Asset / Citi Institutional Cash Reserves	9,623,376,679.37	6,647.02	2,500,000		
LI44	LMP FI (spoke)	Western Asset / Citi Institutional Tax Free Reserves	2,212,505,239.87	5,113.75	1,700,000		
N41U	LMP FI	SMASh Series M Fund	101,182,178.37	1,659.04	525,000		
N43U	LMP FI	SMASh Series C Fund	37,365,651.47	1,110.15	350,000		
N47U	LMP FI	SMASh Series EC Fund	38,683,403.42	1,109.97	350,000		
N4G4	LMP FI	Western Asset Institutional Money Market Fund	1,741,855,130.70	4,540.97	1,500,000		
N4GA	LMP FI (spoke)	Western Asset Institutional Government Money Market Fund	11,608,716,649.28	6,374.85	2,500,000		
N4G6	LMP FI	Western Asset Institutional Municipal Money Market Fund	2,001,408,171.27	5,142.69	1,700,000		
<b>TOTAL SUM GROSS ASSETS</b>					<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 2,500,000</b>	
					<b>\$ 56,119,586,082.11</b>		<b>\$ 2,500,000</b>



Fund ID	Fund Board	Fund Name	Fund Gross Assets 6/30/09	Actual Funds Fidelity Premium allocation for 2009-2010	Coverage By Fund	Coverage by Trust
	<b>LMP FI</b>	<b>Legg Mason Partners Money Market Trust</b>				
LI07	LMP FI	Western Asset / Citi California Tax Free Reserves	131,276,895.84	1,654.92	525,000	
LI09	LMP FI (spoke)	Western Asset / Citi Cash Reserves	792,403,446.59	3,077.87	1,000,000	
LI14	LMP FI (spoke)	Western Asset / Citi Tax Free Reserves	264,836,466.48	2,353.57	750,000	
LI15	LMP FI	Western Asset / Citi New York Tax Free Reserves	548,035,538.75	2,792.72	900,000	
LI17	LMP FI (spoke)	Western Asset / Citi U.S. Treasury Reserves	1,539,491,637.30	4,568.71	1,500,000	
LI21	LMP FI	Western Asset / Citi Connecticut Tax Free Reserves	248,897,708.60	1,877.78	600,000	
N4G0	LMP FI	Western Asset Massachusetts Municipal Money Market Fund	229,382,979.64	1,880.46	600,000	
N4G7	LMP FI	Western Asset Municipal Money Market Fund	7,659,578,880.42	6,916.23	2,500,000	
N4G8	LMP FI	Western Asset New York Municipal Money Market	2,201,353,238.35	5,115.28	1,700,000	
N4G9	LMP FI	Western Asset California Municipal Money Market	2,378,886,897.54	5,090.94	1,700,000	
N4H0	LMP FI	Western Asset Money Market Fund	19,300,458,289.61	5,320.42	2,500,000	
N4H2	LMP FI	Western Asset Government Money Market Fund	8,198,339,315.44	6,842.37	2,500,000	
<b>TOTAL SUM GROSS ASSETS</b>						
			<b>\$ 43,492,941,294.56</b>		<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 2,500,000</b>
	<b>LMP FI</b>	<b>Legg Mason Partners Premium Money Market Trust</b>				
LI10	LMP FI (spoke)	Western Asset / Citi Premium Liquid Reserves	479,377,644.99	2,324.16	750,000	
LI18	LMP FI (spoke)	Western Asset / Citi Premium U.S. Treasury Reserves	418,046,378.69	2,332.57	750,000	
<b>TOTAL SUM GROSS ASSETS</b>						
			<b>\$ 897,424,023.68</b>		<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 1,000,000</b>
	<b>LMP Equity</b>	<b>Legg Mason Partners Variable Equity Trust</b>				
N431	LMP Equity	Legg Mason Partners Variable Global Equity Portfolio	40,022,832.91	1,109.79	350,000	
N45C	LMP Equity	Legg Mason Partners Variable Capital and Income Portfolio	230,558,825.75	1,880.29	600,000	
N4C4	LMP Equity	Legg Mason Partners Variable Lifestyle Allocation 50%	114,910,187.18	1,657.16	525,000	
N4C5	LMP Equity	Legg Mason Partners Variable Aggressive Growth Portfolio	629,106,689.45	2,781.61	900,000	
N4C6	LMP Equity	Legg Mason Partners Variable International All Cap Opportunity Portfolio	71,885,798.06	1,264.75	400,000	

N4C7	LMP Equity	Legg Mason Partners Variable Appreciation Portfolio	555,852,330.48	2,791.65	900,000
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Fund ID	Fund Board	Fund Name	Fund Gross Assets 6/30/09	Actual Funds Fidelity Premium allocation for 2009-2010	Coverage By Fund	Coverage by Trust
N4G2	LMP Equity	Legg Mason Partners Variable Lifestyle Allocation 85%	71,506,343.33	1,264.80	400,000	
N4G3	LMP Equity	Legg Mason Partners Variable Lifestyle Allocation 70%	63,782,522.40	1,265.86	400,000	
N4IC	LMP Equity	Legg Mason Partners Variable Dividend Strategy Portfolio	41,805,740.55	1,109.54	350,000	
N4L0	LMP Equity	Legg Mason Partners Variable Large Cap Growth Portfolio	152,682,194.07	1,890.97	600,000	
N4M4	LMP Equity	Legg Mason Partners Variable Mid Cap Core Portfolio	65,374,990.44	1,265.64	400,000	
N4P6	LMP Equity	Legg Mason Partners Variable Social Awareness Portfolio	57,046,626.64	1,266.78	400,000	
N4Q2	LMP Equity	Legg Mason Partners Variable Investors Portfolio	234,756,609.20	1,879.72	600,000	
N4T5	LMP Equity	Legg Mason Partners Variable Small Cap Growth Portfolio	99,285,249.92	1,420.32	450,000	
N4W8	LMP Equity	Legg Mason Partners Variable Fundamental Value Portfolio	583,275,696.09	2,787.89	900,000	
N4Y1	LMP Equity	Legg Mason Partners Variable Capital Portfolio	109,459,217.95	1,657.91	525,000	
<b>TOTAL SUM GROSS ASSETS</b>					<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 2,100,000</b>
			<b>\$ 3,121,311,854.42</b>			
	<b>LMP FI</b>	<b>Legg Mason Partners Variable Income Trust</b>				
N41P	LMP FI	Legg Mason Partners Variable Diversified Strategic Inc Portfolio	43,574,179.17	1,109.30	350,000	
N4H5	LMP FI	Legg Mason Partners Variable Money Market Portfolio	640,953,680.78	2,779.99	900,000	
N4K1	LMP FI	Legg Mason Partners Variable High Income Portfolio	146,236,760.85	1,652.87	525,000	
N4U1	LMP FI	Legg Mason Partners Variable Strategic Bond Portfolio	60,543,848.99	1,266.30	400,000	
N4U2	LMP FI	Legg Mason Partners Variable Global High Yield Bond Portfolio	122,685,888.16	1,656.10	525,000	
N4Y8	LMP FI	Legg Mason Partners Variable Adjustable Rate Income Portfolio	20,395,724.91	793.83	250,000	
<b>TOTAL SUM GROSS ASSETS</b>					<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 1,250,000</b>
			<b>\$ 1,034,390,082.86</b>			
	<b>LMP FI</b>	<b>Master Portfolio Trust</b>				
LI08	LMP FI	Liquid Reserves	30,502,727,981.68		2,500,000	
LI13	LMP FI	Tax Free Reserves Portfolio	2,483,022,798.18		1,700,000	
LI16	LMP FI	U.S. Treasury Reserves Portfolio		allocated at spoke level	2,500,000	
LI32	LMP FI	Prime Cash Reserves Portfolio	27,825,390,405.68		2,500,000	
N4G5	LMP FI	Government Portfolio	13,964,321,612.16		2,500,000	
			12,051,247,524.63		2,500,000	

**TOTAL SUM GROSS ASSETS**

**\$ 86,826,710,322.33**

**TOTAL  
COVERAGE  
OF**

**TRUST**

**\$ 2,500,000**

Fund ID	Fund Board	Fund Name	Fund Gross Assets 6/30/09	Actual Funds Fidelity Premium allocation for 2009-2010	Coverage By Fund	Coverage by Trust
<b>LMP Closed End Funds</b>						
N4NK	LMP CE	LMP Capital and Income Fund Inc.	408,983,507.78	2,333.81	750,000	\$ 750,000
N4V6	LMP CE	LMP Corporate Loan Fund Inc.	167,156,993.57	1,650.00	600,000	\$ 600,000
N4LA	LMP CE	LMP Real Estate Income Fund Inc.	95,636,803.78	1,420.82	450,000	\$ 450,000
N4JB	LMP CE	Western Asset Emerging Markets Debt Fund Inc.	484,616,914.80	2,323.44	750,000	\$ 750,000
N4U7	LMP CE	Western Asset Emerging Markets Floating Rate Fund Inc	49,178,843.89	1,108.53	350,000	\$ 350,000
N4AH	LMP CE	Western Asset Emerging Markets Income Fund Inc.	349,755,528.68	2,341.93	750,000	\$ 750,000
N4Y7	LMP CE	Western Asset Global High Income Fund Inc.	557,316,919.85	2,791.45	900,000	\$ 900,000
N4U6	LMP CE	Western Asset Global Partners Income Fund Inc.	194,230,135.80	1,885.28	600,000	\$ 600,000
N4V8	LMP CE	Western Asset High Income Fund II Inc.	792,645,038.26	2,759.19	1,000,000	\$ 1,000,000
N4U5	LMP CE	Western Asset High Income Fund Inc.	40,580,482.92	950.39	350,000	\$ 350,000
N4K0	LMP CE	Western Asset High Income Opportunity Fund Inc.	381,289,905.21	2,337.61	750,000	\$ 750,000
N4JF	LMP CE	Western Asset Inflation Management Fund Inc.	167,279,587.07	1,649.98	600,000	\$ 600,000
N4H6	LMP CE	Western Asset Intermediate Muni Fund Inc.	177,803,891.14	1,887.53	600,000	\$ 600,000
N4J8	LMP CE	Western Asset Managed High Income Fund Inc.	231,377,542.50	1,880.18	600,000	\$ 600,000
N4I4	LMP CE	Western Asset Managed Municipals Fund Inc.	750,532,789.37	2,764.96	1,000,000	\$ 1,000,000
N4J1	LMP CE	Western Asset Municipal High Income Fund Inc.	152,379,363.68	1,652.02	600,000	\$ 600,000
N4V2	LMP CE	Western Asset Municipal Partners Fund Inc.	216,436,520.94	1,882.23	600,000	\$ 600,000
N4VF	LMP CE	Western Asset Variable Rate Strategic Fd Inc.	126,843,555.85	1,655.53	525,000	\$ 525,000
N4AJ	LMP CE	Western Asset Worldwide Income Fund Inc.	162,891,911.60	1,650.58	600,000	\$ 600,000

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N4XR	LMP CE	Western Asset Municipal Defined Opportunity Trust Inc.	244,592,861.63	1,878.37	600,000	\$ <b>600,000</b>
N4XA	LMP CE	Western Asset Investment Grade Defined Opportunity Trust Inc.	224,795,385.70	1,881.08	600,000	\$ <b>600,000</b>

Fund ID	Fund Board	Fund Name	Fund Gross Assets 6/30/09	Actual Funds Fidelity Premium allocation for 2009-2010	Coverage By Fund	Coverage by Trust
<b>Legg Mason Charles Street Trust, Inc.</b>						
935	LM	Batterymarch U.S. Small Capitalization Equity Portfolio	183,542,962.33	1,911.90	600,000	
922	LM	Global Opportunities Bond Fund	323,828,164.79	2,389.88	750,000	
<b>TOTAL SUM GROSS ASSETS</b>					<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 900,000</b>
			<b>\$ 507,371,127.12</b>			<b>\$ 900,000</b>
<b>Legg Mason Global Trust, Inc.</b>						
985	LM	Legg Mason International Equity Trust	524,036,256.45	2,867.85	900,000	
992	LM	Legg Mason Emerging Markets Trust	460,294,743.30	2,389.88	750,000	
<b>TOTAL SUM GROSS ASSETS</b>					<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 1,000,000</b>
			<b>\$ 984,330,999.75</b>			<b>\$ 1,000,000</b>
<b>Legg Mason Investors Trust, Inc.</b>						
981	LM	Legg Mason American Leading Companies Trust	211,460,193.18	1,911.90	600,000	
937	LM	Legg Mason U.S. Small - Capitalization Value Trust	55,345,066.44	1,274.60	400,000	
<b>TOTAL SUM GROSS ASSETS</b>					<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 750,000</b>
			<b>\$ 266,805,259.62</b>			<b>\$ 750,000</b>
<b>Legg Mason Light Street Trust, Inc.</b>						
932	LM	Legg Mason Classic Valuation Fund	27,361,107.84	955.95	300,000	<b>\$ 300,000</b>
959	LM	<b>Legg Mason Growth Trust, Inc.</b>	345,284,061.61	2,389.88	750,000	<b>\$ 750,000</b>
<b>Legg Mason Investment Trust, Inc.</b>						
980	LM	Legg Mason Opportunity Trust	1,604,400,987.17	4,779.75	1,500,000	<b>\$ 1,500,000</b>
953	LM	<b>Legg Mason Special Investment Trust, Inc.</b>	972,604,866.11	3,186.50	1,000,000	<b>\$ 1,000,000</b>
<b>Legg Mason Tax-Free Income Fund</b>						
970	LM	Legg Mason Maryland Tax-Free Income Trust	167,692,972.87	1,911.90	600,000	<b>\$ 600,000</b>
950	LM	<b>Legg Mason Value Trust, Inc.</b>	4,105,509,846.14	7,966.26	2,500,000	<b>\$ 2,500,000</b>
986	WA	<b>Western Asset Income Fund, Inc.</b>	112,575,408.11	1,672.91	525,000	<b>\$ 525,000</b>

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939	WAC	<b>Western Asset/Claymore Inflation-Linked Securities &amp; Income Fund</b>	372,070,092.75	2,389.88	750,000	<b>\$ 750,000</b>
957	WAC	<b>Western Asset/Claymore Inflation-Linked Opportunities &amp; Income Fund</b>	801,145,825.05	3,186.50	1,000,000	<b>\$ 1,000,000</b>
966	WA	<b>Western Asset Premier Bond Fund</b>	190,000,599.59	1,911.90	600,000	<b>\$ 600,000</b>
<b>Western Asset Funds, Inc.</b>						
975	WA	Western Asset Core Plus Bond Portfolio	9,285,133,384.92	8,603.56	2,500,000	



Fund ID	Fund Board	Fund Name	Fund Gross Assets 6/30/09	Actual Funds Fidelity Premium allocation for 2009-2010	Coverage By Fund	Coverage by Trust
965	WA	Western Asset Core Bond Portfolio	3,685,004,769.52	7,328.96	2,300,000	
949	WA	Western Asset High Yield Portfolio	641,876,834.24	2,867.85	900,000	
968	WA	Western Asset Inflation Indexed Plus Bond Portfolio	606,167,947.65	2,867.85	900,000	
984	WA	Western Asset Intermediate Bond Portfolio	516,527,786.72	2,867.85	900,000	
976	WA	Western Asset Intermediate Plus Portfolio	81,345,429.17	1,433.93	450,000	
946	WA	Western Asset Limited Duration Bond Fund	63,371,053.74	1,274.60	400,000	
947	WA	Western Asset Non-U.S. Opportunity Bond Portfolio	266,337,873.11	2,389.88	750,000	
936	WA	Western Asset Absolute Return Portfolio	345,561,175.26	2,389.88	750,000	
<b>TOTAL SUM GROSS ASSETS</b>					<b>TOTAL COVERAGE OF TRUST</b>	<b>\$ 2,500,000</b>
			<b>\$ 15,491,326,254.33</b>			

**The Barrett Funds, a series consisting  
of:**

Barrett Growth	Barrett Growth Fund	12,384,650.17	637.30	200,000	<b>\$ 200,000</b>
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	LM	Legg Mason Income Trust, Inc.	
960	LM	Legg Mason Limited Duration Portfolio	Merged into N4K7 see above
958	LM	Legg Mason Investment Grade Income Portfolio	Merged into N4K5 see above

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**AGREEMENT CONCERNING ALLOCATION OF FIDELITY BOND PREMIUMS AND**

**RECOVERIES**

This Agreement Concerning Allocation of Fidelity Bond Premiums and Recoveries made as of the 1st day of October, 2009 by and among the management investment companies listed on Schedule I (each, a Fund and collectively, the Funds ), all of which are named insureds on a certain fidelity bond underwritten by ICI Mutual Insurance Company (the Insurer ) covering certain acts relating to the Funds ( Joint Fidelity Bond ):

WHEREAS: each of the Funds has registered under the Investment Company Act of 1940, as amended (the 1940 Act ) as either an open-end management investment company or a closed-end management investment company; and

WHEREAS: Rule 17g-1(f) under the 1940 Act requires that a registered management investment company named as an insured on a joint fidelity bond enter into a certain agreement with the other named insureds; and

WHEREAS: the Funds each will benefit from their respective participation in the Joint Fidelity Bond in compliance with this Rule;

NOW, THEREFORE, it is agreed as follows:

1. In the event any recovery under the Joint Fidelity Bond is received as a result of a loss sustained by any of the Funds, then each Fund sustaining such loss shall receive an equitable and proportionate share of the recovery, said proportion to be established by the ratio that the claim bears to the total amount claimed by all participants, but at least equal to the amount which each such Fund would have received had it provided and maintained a single insured bond with the minimum coverage required by Rule 17g-1(d)(1) under the 1940 Act ( Separate Bond ).
2. In the event that the claims of loss of the Funds are so related that the Insurer is entitled to assert that the claims must be aggregated with the results that the total amount payable on such claims is limited to the face amount of the Joint Fidelity Bond, the following rules for determining the priorities among the Funds for satisfaction of the claims under the Joint Fidelity Bond shall apply:
  - A. First, all claims of each Fund which have been duly proven and established under the Joint Fidelity Bond shall be satisfied up to the minimum amount of a Separate Bond for such Fund; and
  - B. Second, the remaining amount of insurance, if any, shall then be applied to the claims of the Funds in proportion to the total of the unsatisfied amount of the claims of each Fund.
3. Each party to this Agreement is hereby expressly put on notice of the limitation of shareholder liability as set forth in the Declaration of Trust of Legg Mason Tax-Free Income Fund and agrees that obligations assumed by this Trust pursuant to this Agreement shall be limited in all cases to the Trust and its assets. Each party to this Agreement agrees that it shall not seek satisfaction of any such obligation from the shareholders or any individual shareholder of the Legg Mason Tax-Free Income Fund nor from any individual Trustee of that Trust.
4. Additional Parties to this Agreement: This Agreement is intended to cover all entities insured under the Joint Fidelity Bond. Any insured under the Joint Fidelity Bond that is not currently listed on Schedule I hereto may be added to this Agreement by a written amendment.
5. This Agreement may be executed in multiple counterparts.

IN WITNESS WHEREOF, each Fund has caused this Agreement to be executed by one of its officers thereunto duly authorized as of the date first above written.

/s/ R. Jay Gerken  
R. Jay Gerken  
President, each of the Funds listed on Schedule I

/s/ David R. Odenath  
David R. Odenath  
President, each of the Funds listed on Schedule II

/s/ Peter H. Shriver  
Peter H. Shriver  
President, the Fund listed on Schedule III

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SCHEDULE I

LMP Corporate Loan Fund Inc.

Western Asset High Income Opportunity Fund Inc.

Western Asset Managed High Income Fund Inc.

Western Asset Managed Municipals Fund Inc.

Western Asset Municipal High Income Fund Inc.

LMP Real Estate Income Fund Inc.

Western Asset Intermediate Muni Fund Inc.

Western Asset High Income Fund Inc.

Western Asset High Income Fund II Inc.

Western Asset Worldwide Income Fund Inc.

Western Asset Global High Income Fund Inc.

Western Asset Emerging Markets Debt Fund Inc.

LMP Capital and Income Fund Inc.

Western Asset Emerging Markets Income Fund Inc. (f/k/a Western Asset Emerging Markets Income Fund II Inc.)

Western Asset Emerging Markets Floating Rate Fund Inc.

Western Asset Global Partners Income Fund Inc.

Western Asset Municipal Partners Fund Inc.

Western Asset Variable Rate Strategic Fund Inc.

Western Asset Inflation Management Fund Inc.

Western Asset Municipal Defined Opportunity Trust, Inc.

Western Asset Investment Grade Defined Opportunity Trust, Inc.

**Legg Mason Partners Equity Trust**

Legg Mason Partners 130/30 U.S. Large Cap Equity Fund

Legg Mason Partners Aggressive Growth Fund

Legg Mason Partners Appreciation Fund

Legg Mason Partners Capital and Income Fund

Legg Mason Partners Capital Fund

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Legg Mason Partners Convertible Fund

Legg Mason Partners Diversified Large Cap Growth Fund

Legg Mason Partners Dividend Strategy Fund

Legg Mason Partners Emerging Markets Equity Fund

Legg Mason Partners Equity Fund

Legg Mason Partners Equity Income Builder Fund

Legg Mason Partners Financial Services Fund

Legg Mason Partners Fundamental Value Fund

Legg Mason Partners Global Equity Fund

Legg Mason Partners International All Cap Opportunity Fund

Legg Mason Partners Investors Value Fund

Legg Mason Partners Large Cap Growth Fund

Legg Mason Partners Lifestyle Allocation 100%

Legg Mason Partners Lifestyle Allocation 30%

Legg Mason Partners Lifestyle Allocation 50%

Legg Mason Partners Lifestyle Allocation 70%

Legg Mason Partners Lifestyle Allocation 85%

Legg Mason Partners Lifestyle Income Fund

Legg Mason Partners Mid Cap Core Fund

Legg Mason Partners All Cap Fund

Legg Mason Partners S&P 500 Index Fund

Legg Mason Partners Small Cap Growth Fund

Legg Mason Partners Small Cap Value Fund

Legg Mason Partners Social Awareness Fund

Legg Mason Partners Target Retirement 2015

Legg Mason Partners Target Retirement 2020

Legg Mason Partners Target Retirement 2025

Legg Mason Partners Target Retirement 2030

Legg Mason Partners Target Retirement 2035

Legg Mason Partners Target Retirement 2040

Legg Mason Partners Target Retirement 2045

Legg Mason Partners Target Retirement 2050

Legg Mason Partners Target Retirement Fund

Legg Mason Partners U.S. Large Cap Equity Fund

Legg Mason Permal Tactical Allocation Fund

**Legg Mason Partners Income Trust**

Legg Mason Partners Adjustable Rate Income Fund

Legg Mason Partners California Municipals Fund

Legg Mason Partners Core Bond Fund

Legg Mason Partners Core Plus Bond Fund

Legg Mason Partners Global High Yield Bond Fund

Legg Mason Partners Government Securities Fund

Legg Mason Partners High Income Fund

Legg Mason Partners Global Inflation Management Fund (f/k/a Legg Mason Partners Inflation Management Fund)

Legg Mason Partners Intermediate Maturity California Municipals Fund

Legg Mason Partners Intermediate Maturity New York Municipals Fund

Legg Mason Partners Intermediate-Term Municipals Fund

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Legg Mason Partners Corporate Bond Fund (f/k/a Legg Mason Partners Investment Grade Bond Fund)

Legg Mason Partners Managed Municipals Fund

Legg Mason Partners Massachusetts Municipals Fund

Legg Mason Partners Municipal High Income Fund

Legg Mason Partners New Jersey Municipals Fund

Legg Mason Partners New York Municipals Fund

Legg Mason Partners Oregon Municipals Fund

Legg Mason Partners Pennsylvania Municipals Fund

Legg Mason Partners Short Duration Municipal Income Fund

Legg Mason Partners Short-Term Bond Fund (f/k/a Legg Mason Partners Short-Term Investment Grade Bond Fund)

Legg Mason Partners Strategic Income Fund

Western Asset Emerging Markets Debt Portfolio

Western Asset Global High Yield Bond Portfolio

**Legg Mason Partners Money Market Trust**

Western Asset / Citi California Tax Free Reserves

Western Asset / Citi Liquid Reserves

Western Asset / Citi Connecticut Tax Free Reserves

Western Asset / Citi New York Tax Free Reserves

Western Asset / Citi Tax Free Reserves

Western Asset / Citi U.S. Treasury Reserves

Western Asset California Municipal Money Market Fund

Western Asset Massachusetts Municipal Money Market Fund

Western Asset New York Municipal Money Market Fund

Western Asset Money Market Fund

Western Asset Government Money Market Fund

Western Asset Municipal Money Market Fund

Western Asset AMT Tax Free Money Market Fund

**Legg Mason Partners Institutional Trust**

Western Asset Institutional Money Market Fund

Western Asset / Citi Institutional Cash Reserves

Western Asset / Citi Institutional Liquid Reserves

Western Asset / Citi Institutional Tax Free Reserves

Western Asset / Citi Institutional U.S. Treasury Reserves

Western Asset Institutional Government Money Market Fund

Western Asset Institutional Municipal Money Market Fund

Citi Institutional Enhanced Income Fund

SMASh Series C Fund

SMASh Series EC Fund

SMASh Series M Fund

**Legg Mason Partners Premium Money Market Trust**

Western Asset / Citi Premium Liquid Reserves

Western Asset / Citi Premium U.S. Treasury Reserves

**Master Portfolio Trust**

Liquid Reserves Portfolio

U.S. Treasury Reserves Portfolio

Tax Free Reserves Portfolio

Prime Cash Reserves Portfolio

Institutional Enhanced Portfolio

Government Portfolio

**Legg Mason Partners Variable Equity Trust**

Legg Mason Partners Variable Aggressive Growth Portfolio

Legg Mason Partners Variable Appreciation Portfolio



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Legg Mason Partners Variable Dividend Strategy Portfolio

Legg Mason Partners Variable Fundamental Value Portfolio

Legg Mason Partners Variable International All Cap Opportunity Portfolio

Legg Mason Partners Variable Investors Portfolio

Legg Mason Partners Variable Large Cap Growth Portfolio

Legg Mason Partners Variable Lifestyle Allocation 50%

Legg Mason Partners Variable Lifestyle Allocation 70%

Legg Mason Partners Variable Lifestyle Allocation 85%

Legg Mason Partners Variable Mid Cap Core Portfolio

Legg Mason Partners Variable Capital Portfolio

Legg Mason Partners Variable Capital and Income Portfolio

Legg Mason Partners Variable Global Equity Portfolio

Legg Mason Partners Variable Small Cap Growth Portfolio

Legg Mason Partners Variable Social Awareness Portfolio

**Legg Mason Partners Variable Income Trust**

Legg Mason Partners Variable Adjustable Rate Income Portfolio

Legg Mason Partners Variable Diversified Strategic Income Portfolio

Legg Mason Partners Variable Global High Yield Bond Portfolio

Legg Mason Partners Variable High Income Portfolio

Legg Mason Partners Variable Money Market Portfolio

Legg Mason Partners Variable Strategic Bond Portfolio

**Western Asset Income Fund, Inc.**

**Western Asset/Claymore Inflation-Linked Securities & Income Fund**

**Western Asset/Claymore Inflation-Linked Opportunities & Income Fund**

**Western Asset Premier Bond Fund**

**Western Asset Funds, Inc.**

Western Asset Core Plus Bond Portfolio

Western Asset Core Bond Portfolio

Western Asset High Yield Portfolio

Western Asset Inflation Indexed Plus Bond Portfolio

Western Asset Intermediate Bond Portfolio

Western Asset Intermediate Plus Bond Portfolio

Western Asset Limited Duration Bond Portfolio

Western Asset Non-U.S. Opportunity Bond Portfolio

Western Asset Absolute Return Portfolio

Western Asset Global Strategic Income Portfolio

Western Asset Enhanced Equity Portfolio

SCHEDULE II

**Legg Mason Charles Street Trust, Inc.**

Batterymarch U.S. Small Capitalization Equity Portfolio

Global Opportunities Bond Fund

**Legg Mason Light Street Trust, Inc.**

Legg Mason Classic Valuation Fund

**Legg Mason Growth Trust, Inc.**

**Legg Mason Global Trust, Inc.**

Legg Mason International Equity Trust

Legg Mason Emerging Markets Trust

**Legg Mason Investors Trust, Inc.**

Legg Mason American Leading Companies Trust

Legg Mason U.S. Small-Capitalization Value Trust

**Legg Mason Investment Trust, Inc.**

Legg Mason Opportunity Trust

**Legg Mason Special Investment Trust, Inc.**

**Legg Mason Tax-Free Income Fund**

Legg Mason Maryland Tax-Free Income Trust

**Legg Mason Value Trust, Inc.**

SCHEDULE III

Barrett Opportunity Fund, Inc.

**The Barrett Funds**

Barrett Growth Fund