Invest for Life:
A Road Map for Your Financial Future

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INVESTMENT PRODUCTS: NOT FDIC INSURED• NOT BANK GUARANTEE • MAY LOSE VALUE

Important information

The following presentation does not take into regards the specific investment objectives, financial situation and particular needs of any person who may receive it.

This material is provided on an informational basis only an should not be construed as a solicitation for any specific Legg Mason product or service.

All discussion of asset allocation and/or portfolio diversification reflects general principles and does not represent a recommendation for specific action.

All investments involve risk including loss of principal amount invested. There is no guarantee that investment objectives will be achieved. Investors should carefully consider their objective, risk tolerance and time horizon before investing.

The road to your financial future

- You’re in the driver’s seat
- Many possible destinations
- Expect twists, turns and detours along the way

Your destination:
Setting goals and priorities

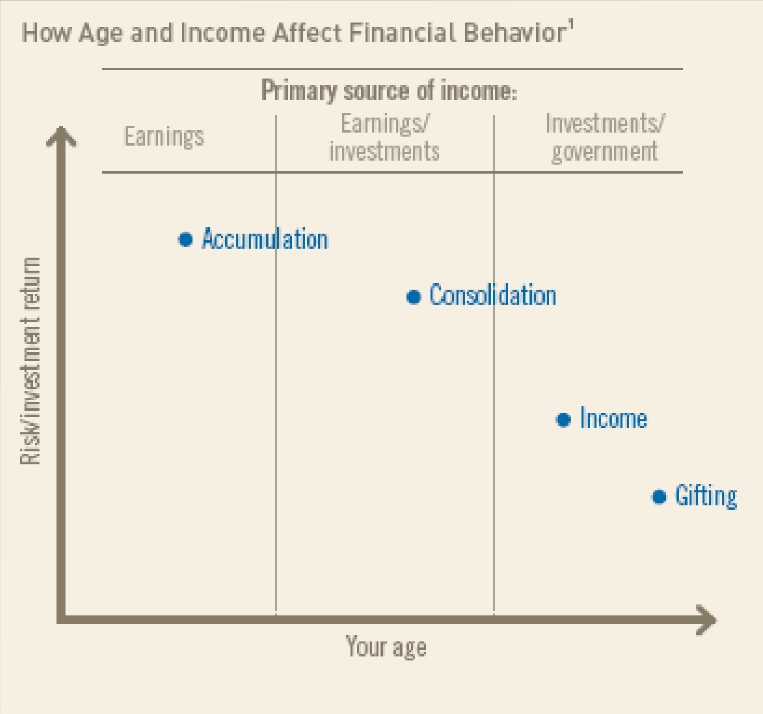
The first step in a successful journey: **decide where you are going!**

Ask yourself:

- What are my most important goals?
- Is there a specific timetable for some of my goals?
- Which goals do I want to achieve first?
- Can I afford to realize all my goals at the same time?
- Am I willing to make long-term commitments?
- What risks am I willing to shoulder along the way?

Age can influence financial priorities

- As we grow older, our sources of income often change – along with how we use it



*Source: Adapted from Managing Investment Portfolios: A Dynamic Process, John Maginn & Donald Tuttle; Warren Gorham & Lamont, 1990.

For illustrative purposes only.

Your guide:
Working with a financial advisor

Financial advisors should:

- Ask about you, your family, your wealth and what you want to accomplish
- Make a plan to allocate your dollars among different types of assets
- Select investments for your portfolio
- Monitor your investments and discussing progress with you regularly
- Check periodically to see if anything has changed that might affect your investment strategy

Investors should:

- Provide a complete overview of your financial situation
- Keep advisor updated about important changes in your life

Questions for a prospective advisor

- *“What is your professional experience and training?”*
- *“Please tell me about your firm. What services do you offer in addition to investment management?”*
- *“How will your recommendations be customized to my needs?”*
- *“Do you have a team? Who will be my contact for day-to-day questions?”*
- *“How often do you meet face-to-face with your clients?”*
- *“How often will I receive a statement summarizing my accounts?”*
- *“What fees do you charge?”*

Your route:
Mapping a personalized strategy

- Time horizon
- Risk tolerance
- Income needs
- Tax considerations

Please see final slide for important tax information.

Your progress:
Checking the signs

By benchmark:

- You use an "market index" to gauge the relative performance of an investment
  - Examples: S&P 500 (U.S. stock market), Barclays Capital Aggregate Bond Index (U.S. bond market)

By personal goal:

- Current performance is compared to a mathematical projection of growth based on current assumptions to check whether an investment is "on track" to provide the money desired for a future goal
  - Example: You invest $50,000 to fund your child's college education, assuming a hypothetical average return of 7.5%...over time, you and your advisor check on the actual return to date and decide whether any adjustment is needed

* The S&P 500 Index a market capitalization-weighted index of 500 widely held common stocks.
** The Barclays Capital U.S. Aggregate Bond Index is a broad-based bond index comprising government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity. Prior to November 2008, the Barclays Capital U.S. Aggregate Bond Index operated under the name Lehman Brothers Aggregate Bond Index.

Please note that investors cannot directly invest in an index.

Your vehicles:
Selecting investment types

- Individual securities
- Professionally managed vehicles, such as:
  - Mutual funds
  - Separately managed accounts (SMAs)

Mutual funds and SMAs may offer:

- **Diversification** — multiple investments within a single vehicle
- **Access to expertise** — of professional managers in strategy selection and portfolio construction
- **Concentrated purchasing power** — based on the scope of their trading

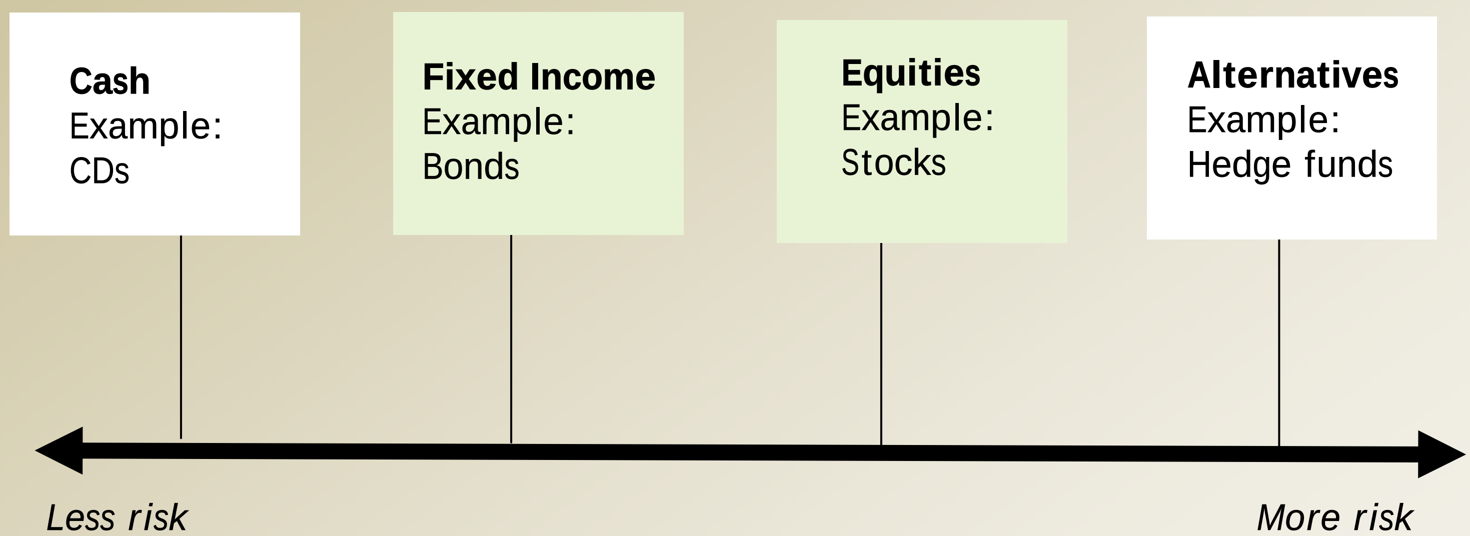
Mutual funds are sold by prospectus only. You should consider a fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus, which can be obtained through your financial advisor contains this and other important information about a fund. You should read the prospectus carefully before investing. For a more complete discussion of the expenses with a separately managed account, please see the manager's ADV, which is available from your financial advisor. Please read it carefully before investing.

Separately managed accounts are not subject to certain investment limitations, diversification requirements and other requirements under the Investment Company Act of 1940 and the Internal Revenue Code that mutual funds are subject to, which could impact the specific investments of each type of investment. In addition, separately managed accounts and mutual funds have different applicable fees and expenses, which would lead to differences in performances between the two types of investment vehicles."

Note: Diversification does not assure a profit or protect against a loss.

Fuel for your journey:
Understanding asset classes

- For investors with long-term goals, most advisors recommend equities and fixed income as the primary engines of growth



For illustrative purposes only.

Fuel for your journey: Equities

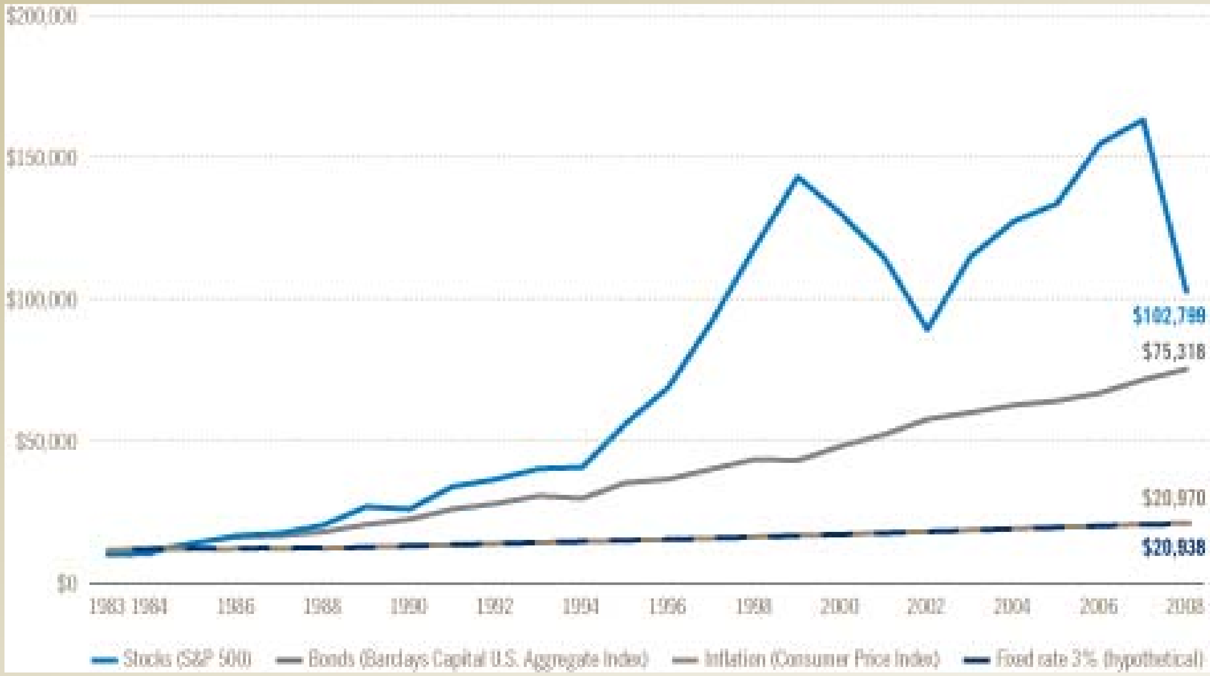
- Represents a fraction of ownership
- Value fluctuates based on market demand
- Stocks and stock fund types:
  - Size (market capitalization)
    - large-cap, mid-cap, small-cap
  - Style
    - Growth: stocks from firms that are expected to grow at an above-average rate
    - Value: stocks with potential for appreciation not fully recognized by the markets
  - International equities

Different types of equities can perform differently at different times; for example, small-caps are typically subject to greater volatility. International equities, in particular, may be affected by currency fluctuations, political or economic disruptions, foreign taxes, illiquid markets and different accounting standards. Your financial advisor can help you assess the risks of specific equity investments in the context of your existing portfolio.

Fuel for your journey:
Equities

Time is on Your Side:

Growth of a $10,000 investment (12/31/1983 - 12/31/2008) based on average annual total returns



Past performance is no guarantee of future results.

Source: Thomson Financial. This chart is for illustrative purposes only and does not represent an actual investment or the performance of any specific investment. The chart represents growth of four hypothetical investments, including unmanaged indexes in which investors cannot directly invest. Figures do not reflect any fees, expense or tax consequences and assumes no withdrawals after consequences. **Stocks** are represented by the S&P 500 Index, a market capitalization-weighted index of 500 widely held common stocks. The Index assumes reinvestment of dividends. **Bonds** are represented by the Barclays Capital U.S. Aggregate Bond Index, a broad-based bond index comprising government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity. Prior to November 2008, the Barclays Capital U.S. Aggregate Bond Index operated under the name Lehman Brothers. **Inflation** is represented by the Consumer Price Index (CPI), which measures the average change in U.S. consumer prices over time in a fixed market basked of goods and services determined by the U.S. Bureau of Labor Statistics. The CPI is adjusted monthly at the discretion of the U.S. Board of Labor Statistics.

Fuel for your journey:
Fixed income

- Represents a fraction of debt
  - In effect, an "IOU" that entitles investor to a pre-determined ("fixed") stream of interest payments over time
- Value may fluctuate based on:
  - interest rates
  - credit ratings

Fixed income securities are subject to interest rate risk. As interest rates rise, the price of a fixed income security declines and would reduce the value of an investment.

Fuel for your journey:
Fixed income

- **U.S. Treasuries**
  - Issued by federal government, backed by its "full faith and credit"
  - Interest exempt from state/local taxes
- **Corporate bonds**
  - Issued by private firms; rated as "investment grade" and "high yield"
- **Municipal bonds**
  - Issued by state and local governments
  - Interest may be exempt from some taxes
- **Sovereign and emerging markets debt**
  - Issued by foreign governments

Investments in high-yield securities and in foreign companies and governments, including emerging markets, involve risks beyond those inherent solely in higher-rated and domestic investments. The risks of high-yield securities include, but are not limited to, price volatility and possibility of default in the timely payment of interest and principal. Foreign securities are subject to certain risks of overseas investing, including currency fluctuations and changes in political and economic conditions, which could result in significant market fluctuations. These risks are magnified in emerging markets. Certain municipal bond investors may be subject to the federal Alternative Minimum Tax (AMT), and state and local taxes would apply. Capital gains, if any, are fully taxable. The actual impact of any tax-exempt investment depends on the individual situation of the investor. Please see last page of this presentation for important tax information.

Rules of the road: Principles of investing

Risk and return: two sides of the same coin

- All investments have some degree of risk
- Different investors may look at the same risk differently
- In general, the greater the risk, the higher the return desired by investors

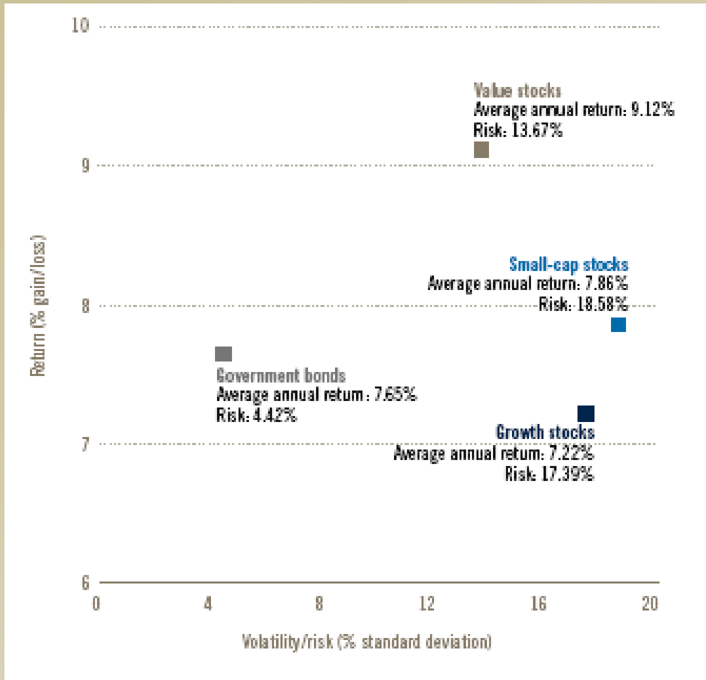
Two important types of risk:

- **Inflation risk**
  - the risk of the return on your investment will be less than the rate of inflation
- **Interest rate risk**
  - the risk that changes in interest rates will affect the value of your fixed income investment

Rules of the road:
Principles of investing

Volatility: Measuring how much prices change

Average annual total return and volatility: 12/31/88-12/31/2008



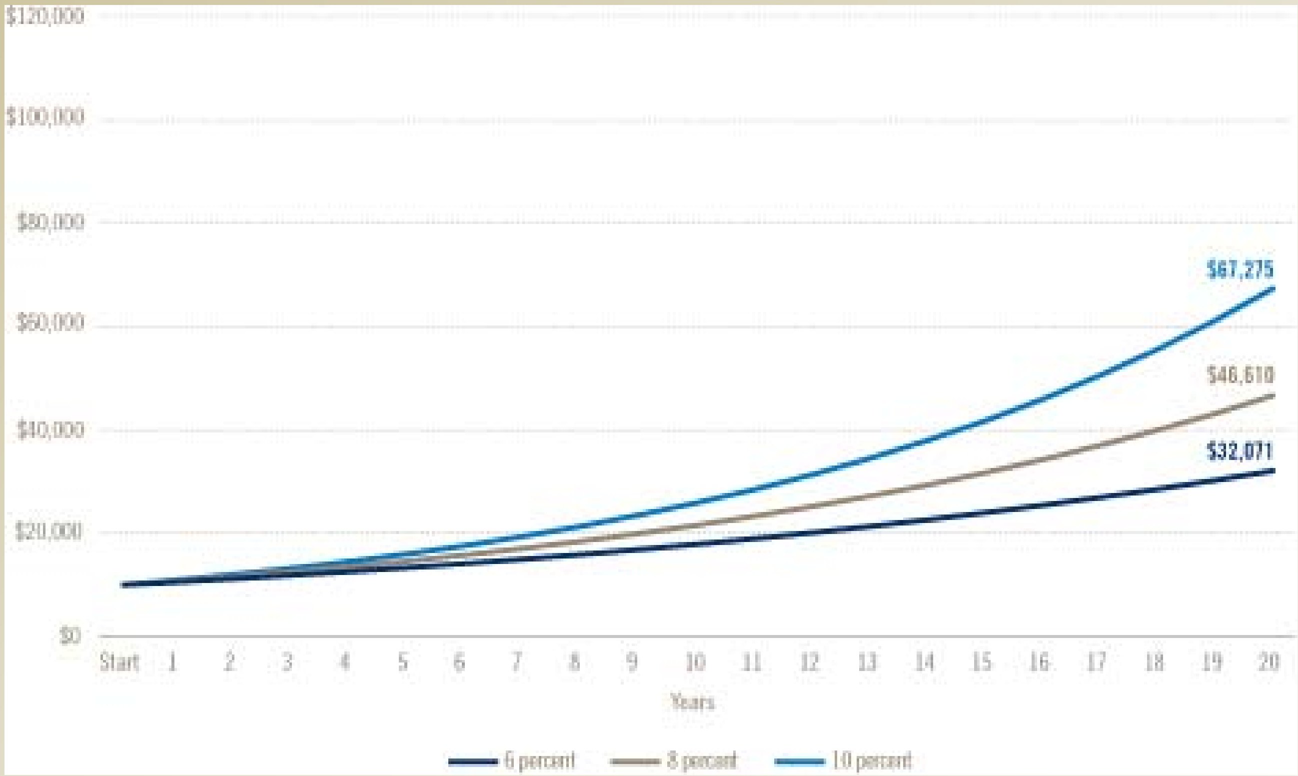
- A measure of how widely prices fluctuate over time
- Volatility is sometimes used to represent market risk

Source: Legg Mason, 12/31/08. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and does not represent an actual investment. Growth assumes reinvestment of dividends and capital gains. **Government bonds** are represented by the Barclays Capital U.S. Government Total Return Index, a broad-based index of all public debt obligations of the U.S. government and its agencies that have an average maturity of roughly nine years. Prior to November 2008, the Barclays Capital U.S. Government Total Return Index operated under the name Lehman Brothers. **Growth stocks** are represented by the Russell 3000 Growth Index, measures the which performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. **Value stocks** are represented by the Russell 3000 Value Index, which measures the performance of those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth values. **Small cap stocks** are represented by the Russell 2000 Index, which measures the performance of the 2,000 smallest companies in the Russell 3000 Index. Indices are unmanaged and investors cannot invest directly in an index. Risk is measured by standard deviation, which measures the volatility of an investment's return over a particular time period; the greater the number, the greater the risk.

Rules of the road:
Principles of investing

Compounding: Why it pays to start early

Hypothetical growth of a $10,000 investment over 20 years with compound interest



Source: Legg Mason. For illustrative purposes only. All rates are hypothetical. The graph above does not represent the performance of any specific investment. This example assumes no withdrawals , fees, expenses and tax consequences.

Rules of the road:
Principles of investing

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Diversification: ‘Don’t put all your eggs in one basket’

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
International 8.06%	Large-Cap Value 38.35%	Large-Cap Growth 23.12%	Large-Cap Value 35.18%	Large-Cap Growth 38.71%	Mid-Cap Growth 51.29%	Small-Cap Value 22.83%	Small-Cap Value 14.03%	Multi-sector fixed-income 10.26%	Small-Cap Growth 48.54%	Mid-Cap Value 23.71%	International 14.02%	International 26.86%	Large Cap Growth 11.81%	Multi-sector fixed-income 5.24%
Cash 4.24%	S&P 500 Index 37.58%	S&P 500 Index 22.96%	Mid-Cap Value 34.37%	S&P 500 Index 28.58%	Small-Cap Growth 43.09%	Mid-Cap Value 19.18%	Multi-sector fixed-income 8.44%	Cash 1.70%	Small-Cap Value 46.03%	Small-Cap Value 22.25%	Mid-Cap Value 12.65%	Small-Cap Value 23.48%	International 11.63%	Cash 1.80%
Large-Cap Growth 2.66%	Large-Cap Growth 37.19%	Large-Cap Value 21.64%	S&P 500 Index 33.36%	International 20.33%	Large-Cap Growth 33.16%	Multi-sector fixed-income 11.63%	Cash 4.09%	Mid-Cap Value -9.64%	Mid-Cap Growth 42.71%	International 20.70%	Mid-Cap Growth 12.10%	Large-Cap Value 22.25%	Mid-Cap Growth 11.43%	Small-Cap Value -28.92%
S&P 500 Index 1.31%	Mid-Cap Value 34.93%	Small-Cap Value 21.37%	Small-Cap Value 31.78%	Mid-Cap Growth 17.86%	International 27.30%	Large-Cap Value 7.01%	Mid-Cap Value 2.33%	Small-Cap Value -11.43%	International 39.17%	Large-Cap Value 16.49%	Large-Cap Value 7.07%	Mid-Cap Value 20.21%	Small-Cap Growth 7.05%	Large-Cap Value -36.85%
Small-Cap Value -1.55%	Mid-Cap Growth 33.98%	Mid-Cap Value 20.26%	Large-Cap Growth 30.49%	Large-Cap Value 15.63%	S&P 500 Index 21.04%	Cash 5.96%	Large-Cap Value -5.59%	Large-Cap Value -15.52%	Mid-Cap Value 38.07%	Mid-Cap Growth 15.48%	Large-Cap Growth 5.26%	S&P 500 Index 15.79%	Multi-sector fixed-income 6.97%	S&P 500 Index -37.00%
Large-Cap Value -1.99%	Small-Cap Growth 31.04%	Mid-Cap Growth 17.48%	Mid-Cap Growth 22.54%	Multi-sector fixed-income 8.69%	Large-Cap Value 7.35%	S&P 500 Index -9.11%	Small-Cap Growth -9.23%	International -15.66%	Large-Cap Value 30.03%	Small-Cap Growth 14.31%	S&P 500 Index 4.91%	Small-Cap Growth 13.35%	S&P 500 Index 5.49%	Mid-Cap Value -38.44%
Mid-Cap Value -2.13%	Small-Cap Value 25.75%	Small-Cap Growth 11.26%	Small-Cap Growth 12.95%	Mid-Cap Value 5.08%	Cash 4.74%	Mid-Cap Growth -11.75%	S&P 500 Index -11.88%	S&P 500 Index -22.10%	Large-Cap Growth 29.75%	S&P 500 Index 10.88%	Small-Cap Value 4.71%	Mid-Cap Growth 10.64%	Cash 4.74%	Large Cap Growth -38.44%
Mid-Cap Growth -2.17%	Multi-sector fixed-income 18.47%	International 6.36%	Multi-sector fixed-income 9.65%	Cash 5.06%	Mid-Cap Value -0.11%	International -13.96%	Mid-Cap Growth -20.15%	Mid-Cap Growth -27.41%	S&P 500 Index 28.69%	Large-Cap Growth 6.30%	Small-Cap Growth 4.15%	Large-Cap Growth 9.07%	Large-Cap Value -0.17%	Small-Cap Growth -38.54%
Small-Cap Growth -2.43%	International 11.55%	Cash 5.25%	Cash 5.25%	Small-Cap Growth 1.23%	Multi-sector fixed-income -0.82%	Large-Cap Growth -22.42%	Large-Cap Growth -20.42%	Large-Cap Growth -27.88%	Multi-sector fixed-income 4.10%	Multi-sector fixed-income 4.34%	Cash 3.00%	Cash 4.76%	Mid-Cap Value -1.42%	International -43.06%
Multi-sector fixed-income -2.92%	Cash 5.75%	Multi-sector fixed-income 3.63%	International 2.06%	Small-Cap Value -6.45%	Small-Cap Value -1.49%	Small-Cap Growth -22.43%	International -21.21%	Small-Cap Growth -30.26%	Cash 1.07%	Cash 1.24%	Multi-sector fixed-income 2.43%	Multi-sector fixed-income 4.33%	Small-Cap Value -9.78%	Mid-Cap Growth -44.32%

Past performance is no guarantee of future results. Diversification does not assure a profit or protect against market loss. Investors should be aware that indexes are unmanaged and one cannot invest directly in any index.

Source: GPW as of 12/31/08. **The table above is presented for informational purposes only and does not represent performance of any specific investment.** Cash is represented by the Citigroup U.S. Domestic 90 day T-Bill. This index represents the monthly return equivalents of yield averages, which are not marked to market, providing an average of the last three-month U.S. Treasury bill issues. Multi-Sector Fixed Income is represented by the Barclays Capital U.S. Aggregate Bond Index, which is a broad-based bond index comprised of government, corporate, mortgage and asset-backed issues, rated investment grade or higher, and having at least one year to maturity. International stocks are represented by the Morgan Stanley Capital International EAFE Index. Prior to November 2008, the Barclays Capital U.S. Aggregate Index operated under the name Lehman Brothers Aggregate Bond Index. The MSCI EAFE Index is an unmanaged index of common stocks of companies located in Europe, Australasia and the Far East. Large-Cap Growth is represented by the Russell 1000 Growth Index, which measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. These stocks are selected from the 1,000 largest companies in the Russell 3000 index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. Large-Cap Value is represented by the Russell 1000 Value Index, which measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. These stocks are selected from the 1,000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. Mid-Cap Growth is represented by the Russell Mid-Cap Growth Index. The Russell Mid-Cap Growth Index measures the performance of those Russell Mid-Cap companies with higher price-to-book ratios and higher forecasted growth values. Mid-Cap Value is represented by the Russell Mid-Cap Value Index. The Russell Mid-Cap Value Index measures the performance of those Russell Mid-Cap companies with lower price-to-book ratios and lower forecasted growth values. Small-Cap Growth is represented by the Russell 2000 Growth Index, which measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. These stocks are selected from approximately 8% of the total market capitalization of the Russell 3000 Index. Small-Cap Value is represented by the Russell 2000 Value Index, which measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. These stocks are selected from the 2,000 smallest companies in the Russell 3000 index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. S&P 500 Index is a capitalization-weighted, composite index of 500 stocks designed to measure the performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. All these indices are unmanaged and do not represent the performance of any actual investment. Investors cannot invest directly in an index. Returns assume reinvestments of income dividends and capital gain distributions. Investments in small- and mid-capitalization companies may involve a higher degree of volatility than investments in larger, more established companies. Non-U.S. investments are subject to certain risks of overseas investing, including currency fluctuations and changes in political and economic conditions, which could result in significant market fluctuations. These risks are magnified in emerging markets.

Rules of the road:
Principles of investing

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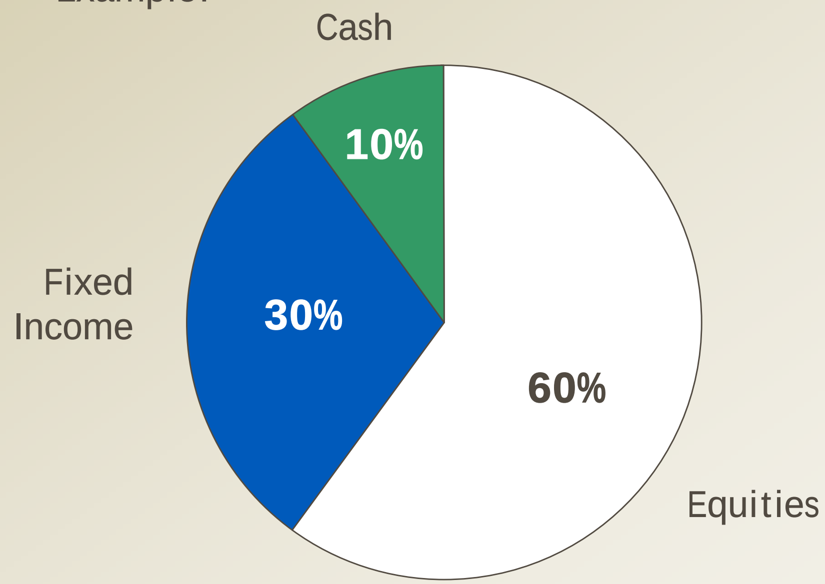
Asset allocation: Your strategic plan for diversification

- A "master strategy" for dividing your investment dollars between different asset classes
- Should reflect your risk tolerance, time horizon, individual goals

Example:



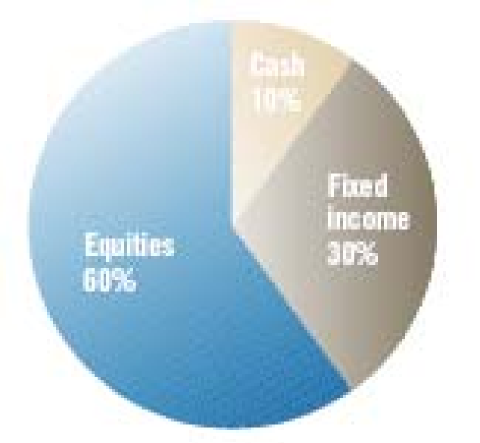
Asset allocation is a method of diversification which provides a model for distributing holdings among major investment categories. This tool can be used in an effort to manage risk and enhance returns but does not guarantee a profit or protect against loss.
Please consult with your financial advisor for advice on asset allocation.

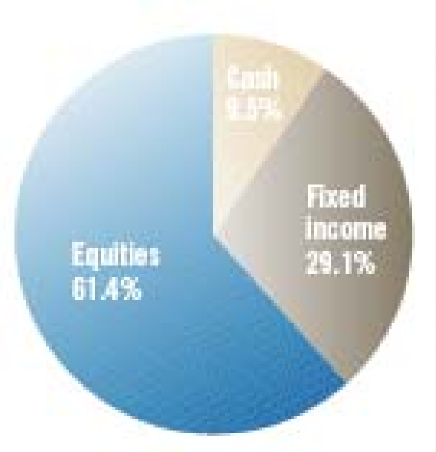
Rules of the road:
Principles of investing

Asset allocation: Rebalancing

- As your holdings change in value, your allocation changes
- *Rebalancing* is the process of adjusting your allocation to compensate

Change in allocation changes on one year of growth at these hypothetical rates:
+11% equities, +5% fixed income, +3% cash





Please note that when your portfolio is rebalanced, you may incur certain fees and expenses and there may be tax consequences with such rebalancing.

Rules of the road:
Principles of investing

Dollar-cost averaging: A disciplined approach for the long term

- Investing the same amount on a regular schedule, in both rising and falling markets

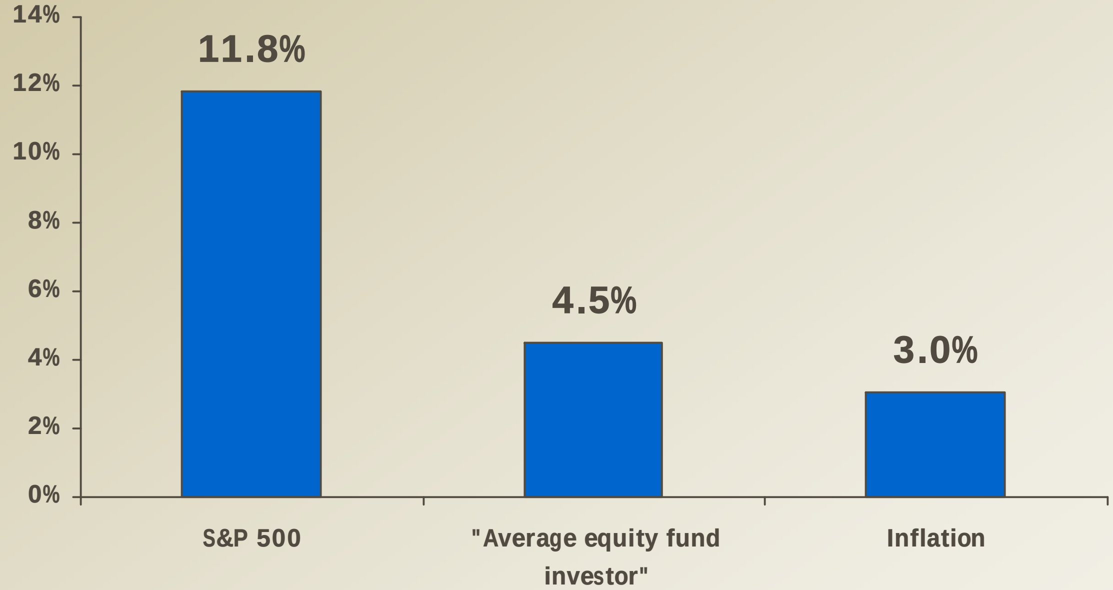
Purchase date ($500 each time)	Share price	Number of shares purchased
Jan 1	$10.60	47.17
Feb 1	$10.50	47.62
March 1	$10.50	47.62
April 1	$10.30	48.54
May 1	$10.20	49.02
Total investment over period: $2,500	**Average cost per share: $10.42**	**Total shares purchased: 239.97**

Dollar cost averaging is a technique for lowering the average cost per share over time. While dollar cost averaging has certain advantages, it cannot assure profit or protect against loss in declining markets. Dollar cost averaging involves continuous investments over time regardless of fluctuating price levels. The investor should consider his or her ability to continue to invest in periods of low price levels.

Rules of the road:
Principles of investing

Staying in the market: Riding out bumps in the road

Annualized Return, 12/31/87-12/31/07



This chart is for illustrative purposes only and does not represent actual performance, past or future, of any investment. Past performance is no guarantee of future results. Please note S&P 500 performance does not reflect the deduction of any fees and expenses. Indexes are unmanaged and one cannot invest directly in an index.

SOURCE: DALBAR Quantitative Analysis of Investor Behavior 2008. www.dalbarinc.com. DALBAR uses industry cash flow reports from the Investment Company Institute (ICI), www.ici.org to calculate the figure for the "Average equity fund investor" category. The figures are based on the ICI's reports for the "stock fund" category, which represents flows and performance for U.S. mutual fund assets. "Average equity fund investor," as defined by DALBAR, refers to the universe of all mutual fund investors whose actions and financial results are restated to represent a single investor. This approach allows the entire universe of mutual fund investors to be used as the statistical sample, ensuring ultimate reliability. "Average equity fund investor" returns are calculated by the DALBAR Quantitative Analysis of Investor Behavior (QAIB) Report. QAIB calculates investor returns as the change in assets after excluding sales, redemptions and changes. This method of calculation captures realized and unrealized capital gains, dividends, interest, trading costs, sales charges, fees, expenses and any other costs. After calculating investor returns in dollar terms, two percentages are calculated: total investor return rate for the period and annualized investor return rate. Total return rate is determined by calculating the investor return dollars as a percentage of the net of the sales, redemptions and exchanges for the period. Inflation is represented by the Consumer Price Index (CPI), which measures the average change in U.S. consumer prices over time in a fixed market basket of goods and services determined by the U.S. Bureau of Labor Statistics. The CPI is adjusted monthly at the discretion of the U.S. Board of Labor Statistics.

Time to get going!

Steps to take today

- Think through and understand your goals
- Choose a trusted guide
- Create a personalized investment strategy and asset allocation
- Select appropriate vehicles and investments
- Follow basic principles of investing
- Reach out to your advisor with questions or changes in your situation
- Don't delay…

“A journey of a thousand miles begins with one step”

—Lao Tzu

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At Legg Mason, we've assembled a collection of experienced investment management firms and empowered each of them with the tools, resources and most importantly, the independence to pursue the strategies they know best.

Each was purposefully chosen for their **commitment to investment excellence.**

Each is **focused** on specific investment styles and asset classes.

Each exhibits **thought leadership** in their chosen area of focus.

Together, we've built a powerful portfolio of solutions for financial advisors and their clients. And it's made us a world leader in money management.*

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*Ranked ninth-largest money manager in 2007, according to *Pensions & Investments*, based on 12/31/07 assets under management.