

Shareholders of EnTrustPermal Hedge Strategies Fund I,  
Institutional Shares and Service Shares, and  
EnTrustPermal Hedge Strategies Fund II, Broker  
Shares (together, the “Funds”)

October 20, 2017

Dear Shareholder,

You recently received a prospectus supplement relating to the upcoming liquidation and termination of the Funds. In that supplement, dated May 15, 2017 to the Prospectus dated August 1, 2016, each Fund announced a mandatory redemption of Fund shares. Please note that on or about **November 28, 2017**, shareholders of the Funds other than Legg Mason will receive the net asset value of their shares (determined as of October 31, 2017) in cash pursuant to the redemption.

Following the redemption, each Fund will terminate and Legg Mason will become the sole shareholder of EnTrustPermal Hedge Strategies Portfolio (the “Master Fund”). The Master Fund will continue to redeem its interests in the underlying hedge funds held by the Master Fund and distribute cash to Legg Mason as those interests are redeemed. Legg Mason has agreed that, to the extent it receives cash distributions in excess of the value of its remaining investment in the Fund determined as of October 31, 2017, the valuation date for the mandatory redemption of shareholders, the excess proceeds will be distributed pro rata to the former shareholders of the Fund, or donated to charity if the expenses associated with a distribution would exceed the amount of the excess proceeds.

For taxable shareholders, liquidating distributions, including a mandatory redemption, will generally be treated as a sale of Fund shares that may result in a taxable gain or loss to shareholders for U.S. federal income tax purposes.

Sincerely,



Jane Trust, CFA  
President and Chief Executive Officer

INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE
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All investment involves risk, including possible loss of principal. Investment return and the value of shares will fluctuate.

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