

WESTERN ASSET PREMIER BOND FUND

Form DEF 14A

March 28, 2008

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**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(A) of the Securities Exchange Act of 1934**

Filed by the Registrant

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Check the appropriate box:

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WESTERN ASSET PREMIER BOND FUND

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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**WESTERN ASSET PREMIER BOND FUND**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD MAY 6, 2008**

To the Shareholders of  
WESTERN ASSET PREMIER BOND FUND

The Annual Meeting of Shareholders of Western Asset Premier Bond Fund (the Fund ) will be held in the Board Room, Fifth Floor, 385 E. Colorado Boulevard, Pasadena, California, on Tuesday, May 6, 2008 at 8:30 a.m., Pacific Time, to consider and act upon the following matters:

- (1) Election of a Board of Trustees; and
- (2) Such other matters as may properly come before the meeting and any adjournment(s) thereof.

The Board of Trustees has fixed the close of business on March 20, 2008 as the record date for the determination of shareholders entitled to receive notice of and to vote at the Annual Meeting and any adjournment thereof.

By Order of the Board of Trustees

Richard M. Wachterman, Secretary

Pasadena, California  
March 28, 2008

**SHAREHOLDERS WHO DO NOT EXPECT TO ATTEND THE ANNUAL MEETING IN PERSON ARE URGED TO DATE, FILL IN, SIGN AND MAIL THE ENCLOSED PROXY IN THE ACCOMPANYING ENVELOPE, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES.**

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**WESTERN ASSET PREMIER BOND FUND  
385 East Colorado Boulevard  
Pasadena, California 91101**

**PROXY STATEMENT**

The accompanying proxy is solicited by the Board of Trustees of the Fund for use at the annual meeting of shareholders of the Fund to be held on May 6, 2008 at 8:30 a.m., Pacific time (the Annual Meeting), and at any adjournment(s) thereof. At the Annual Meeting, shareholders of the Fund will be asked to consider the election of seven Trustees to the Board of Trustees of the Fund. This Proxy Statement and the form of proxy were first mailed to shareholders on or about April 1, 2008.

The Board of Trustees has fixed the close of business on March 20, 2008 as the record date for the determination of shareholders entitled to notice of and to vote at the Annual Meeting and any adjournment thereof. As of the close of business on March 20, 2008, the Fund had issued and outstanding 11,471,348 common shares of beneficial interest, no par value (Common Shares), and 2,880 preferred shares of beneficial interest, no par value (Preferred Shares) and, together with the Common Shares, the Shares. The Common Shares and Preferred Shares are the only classes of shares currently authorized by the Fund.

Shareholders of the Fund as of the close of business on March 20, 2008 will be entitled to one vote for each Share held, and a fractional vote with respect to fractional Shares, on each matter to which they are entitled to vote, with no cumulative voting rights.

Holders of the Common Shares (Common Shareholders) and holders of the Preferred Shares (Preferred Shareholders) will vote as a single class on the election of five of the Trustees. Pursuant to the Fund's Bylaws and the Investment Company Act of 1940, as amended (the 1940 Act), Preferred Shareholders, voting as a single class, have the right to elect two Trustees of the Fund. These Trustees are currently William E. B. Siart and Jaynie Miller Studenmund, each of whom will stand for re-election at the Annual Meeting. The Common Shareholders do not have the right to vote with respect to the election of Mr. Siart and Ms. Studenmund.

Thirty percent of the total Shares of the Fund entitled to vote at the Annual Meeting must be represented in person or by proxy to constitute a quorum for the election of the nominees other than Mr. Siart and Ms. Studenmund. Thirty percent of the Preferred Shares entitled to vote at the Annual Meeting must be represented in person or by proxy to constitute a quorum for the election of Mr. Siart and Ms. Studenmund as Trustees. Each shareholder has the right to revoke his or her proxy at any time before it is voted. A proxy may be revoked by filing with the Secretary of the Fund a written revocation or a properly executed proxy bearing a later date or by voting in person at the Annual Meeting. Any shareholder may attend the Annual Meeting, whether or not he or she has previously given a proxy.

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The solicitation of proxies for the Annual Meeting will be made primarily by mail. However, if necessary to ensure satisfactory representation at the Annual Meeting, additional solicitation may take place in writing or by telephone or personal interview by officers of the Fund (or their designees), who will not receive compensation from the Fund for such services. As the date of the meeting approaches, if we have not received your proxies, you may receive a telephone call from our proxy solicitor, Computershare Fund Services, Inc. ( CFS ), which has been retained to assist shareholders in the voting process. For these services, the Fund will pay CFS a fee that is not expected to exceed \$5,000. However, the exact cost will depend on the amount and types of services rendered. The Fund will reimburse brokers and other nominees, in accordance with New York Stock Exchange approved reimbursement rates, for their expenses in forwarding solicitation material to the beneficial owners of shares of the Fund. All expenses incurred in connection with the solicitation of proxies, including the services of CFS, will be borne by the Fund.

Abstentions and broker non-votes (i.e., proxies signed and returned by brokers with respect to shares held by brokers or nominees as to which one or more votes is not indicated because (i) instructions have not been received from the beneficial owners or the persons entitled to vote and (ii) the broker or nominee does not have discretionary voting power on a particular matter) will be counted as shares present for purposes of determining whether a quorum is present, but will not be counted as having been voted on the matter in question. Assuming that a quorum would otherwise be present, abstentions and broker non-votes will accordingly have no effect for the purpose of determining whether a Trustee has been elected.

Richard M. Wachterman, Marie K. Karpinski and Charles A. Ruys de Perez, the persons named as proxies on the proxy card accompanying this Proxy Statement, were selected by the Board of Trustees to serve in such capacity. Mr. Wachterman and Ms. Karpinski are each officers of the Fund. Mr. Ruys de Perez is the General Counsel of Western Asset Management Company, the Fund's investment adviser (the Investment Adviser). Each executed and returned proxy will be voted in accordance with the directions indicated thereon or, if no direction is indicated, such proxy will be voted for the election as Trustees of the Fund the Board of Trustees' nominees listed in this proxy statement. Discretionary authority is provided in the proxy as to any matters not specifically referred to therein. The Board of Trustees is not aware of any other matters which are likely to be brought before the Annual Meeting. However, if any such matters properly come before the Annual Meeting, the persons named in the proxy are fully authorized to vote thereon in accordance with their judgment and discretion. Except where a different vote is required by any provision of law or the Declaration of Trust or Bylaws, a plurality of a quorum of the Shares necessary for the transaction of business at a shareholders' meeting will decide any question.

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**HOW TO SUBMIT A PROXY**

Shareholders of record may submit a proxy in respect of their shares by using any of the following methods:

*By Telephone.* Submit a proxy by calling the toll-free telephone number printed on the proxy card. The proxy card should be in hand when making the call. Easy-to-follow voice prompts allow the shareholder of record to authenticate his or her identity by entering the validation numbers printed on the enclosed proxy card, provide voting instructions for the shares, and confirm that the instructions have been properly recorded.

*On the Internet.* Submit a proxy by logging onto the Internet website listed on the proxy card. The proxy card should be in hand when submitting a proxy online. As with telephone proxy submission, simple instructions allow the shareholder of record to authenticate his or her identity by entering the validation numbers printed on the enclosed proxy card, provide voting instructions for the shares, and confirm that the instructions have been properly recorded.

*By Mail.* Shareholders of record may complete, sign, and date the proxy card and return it in the prepaid envelope provided.

Please see the instructions on the enclosed card for telephone touch-tone proxy submission and Internet proxy submission. Shareholders will have an opportunity to review their voting instructions and to make any necessary changes before submitting their voting instructions and terminating their telephone call or Internet link.

**PROPOSAL**

**ELECTION OF TRUSTEES**

Seven Trustees are to be elected at the Annual Meeting to serve until their successors have been duly elected and qualified, subject to prior death, resignation, retirement, disqualification or removal from office and applicable law and the rules of the New York Stock Exchange. Information about each nominee is set forth in the table below. Each of the nominees is presently a Trustee of the Fund.

The Fund's Bylaws provide that the Board of Trustees will consist of such number of Trustees as may be fixed from time to time by a majority of the Trustees, which number is currently seven.

It is the intention of the persons designated as proxies in the proxy card, unless otherwise directed therein, to vote at the Annual Meeting for the election of the nominees named below as Trustees of the Fund. Each of the nominees has agreed to serve if elected at the Annual Meeting. If any nominee is unable or unavailable to serve, the persons named in the proxies will vote the proxies for such other person as the Board of Trustees may recommend.

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*Information Regarding the Nominees.* Information about the nominees is set forth below. Except for Mr. Gerken, who serves as the Fund's President, no nominee serves as an officer of the Fund. The address of each nominee is c/o the Fund at its principal business address (385 East Colorado Boulevard, Pasadena, California 91101).

<b>Name and Year Born</b>	<b>Position(s) Held With Fund</b>	<b>Term of Office and Length of Time Served*</b>	<b>Principal Occupations During the Past 5 Years</b>	<b>Number of Portfolios In Fund Complex**</b>	<b>Other Directorships Held by Nominee</b>	<b>Common Shares of the Fund Beneficially Owned on March 1, 2008</b>
Ronald J. Arnault 1943	Trustee (1)(2)	Served since 2002	Retired.	15	None	None
Anita L. DeFrantz 1952	Trustee (2)(3)	Served since 2002	President (1987-present) and Director (1990-present) of LA84 Foundation (formerly Amateur Athletic Foundation of Los Angeles); President and Director of Kids in Sports (1994-present); Member of the International Olympic Committee (1986-present).	15	OBN Holdings, Inc.	None
Avedick B. Poladian 1951	Trustee (1)(2)	Served since 2007	Executive Vice President and Chief Operating Officer of Lowe Enterprises, Inc. (real estate and hospitality firm) (2003-present); Partner, Arthur Andersen, LLP (1974-2002).	15	California Pizza Kitchen, Inc.(4)	None
William E. B. Siart 1946	Trustee and Chairman (1)(2)(3)	Served since 2002	Vice Chairman of The Getty Trust (2005--present); Chairman of Walt Disney Concert Hall, Inc. (1998-2006); Chairman of Excellent Education Development (2000-present).	15	None	None



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<b>Name and Year Born</b>	<b>Position(s) Held With Fund</b>	<b>Term of Office and Length of Time Served*</b>	<b>Principal Occupations During the Past 5 Years</b>	<b>Number of Portfolios In Fund Complex** Overseen by Nominee</b>	<b>Other Directorships Held by Nominee</b>	<b>Common Shares of the Fund Beneficially Owned on March 1, 2008</b>
Jaynie Miller Studenmund 1954	Trustee (1)(3)	Served since 2004	Chief Operating Officer of Overture Services, Inc. (internet search marketing firm) (2001-2004); President and Chief Operating Officer of Paymybills.com (2000-2001).	15	Orbitz Worldwide	None
<i>Interested Nominees</i>						
R. Jay Gerken 1951	Trustee and President(5)	Served since 2006	Managing Director of Legg Mason & Co., LLC ( Legg Mason & Co. ), Chairman, President and Chief Executive Officer of certain mutual funds associated with Legg Mason & Co. or its affiliates (2005-present); President of Legg Mason Partners Fund Advisor, LLC ( LMPFA ) (2006-present); Chairman of Smith Barney Fund Management LLC and Citi Fund Management Inc. (2002-2005); Chairman, President and Chief Executive Officer of Travelers Investment Adviser, Inc. (2002-2005).	152	Trustee or Director of certain funds associated with Legg Mason & Co. or its affiliates (consisting of 152 portfolios).	2,000

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<b>Name and Year Born</b>	<b>Position(s) Held With Fund</b>	<b>Term of Office and Length of Time Served*</b>	<b>Principal Occupations During the Past 5 Years</b>	<b>Number of Portfolios In Fund Complex** Overseen by Nominee</b>	<b>Other Directorships Held by Nominee</b>	<b>Common Shares of the Fund Beneficially Owned on March 1, 2008</b>
Ronald L. Olson 1941	Trustee	Served since 2005(6)	Senior Partner, Munger, Tolles & Olson LLP (law partnership) (1968-present)	15	Edison International, City National Corporation (financial services company), The Washington Post Company and Berkshire Hathaway, Inc.	None

- (1) Member of the Audit Committee of the Board of Trustees.
- (2) Member of the Executive and Contracts Committee of the Board of Trustees.
- (3) Member of the Governance and Nominating Committee of the Board of Trustees.
- (4) Mr. Poladian has been nominated for election to the board of directors of Occidental Petroleum Corporation at that company's annual stockholder meeting, which is currently scheduled to take place on May 2, 2008.
- (5) Mr. Gerken is an interested person (as defined in section 2(a)(19) of the Investment Company Act of 1940, as amended (the 1940 Act)) of the Fund because of his positions with subsidiaries of, and ownership of shares of common stock of, Legg Mason, Inc., the parent company of the Investment Adviser.
- (6) Mr. Olson is considered to be an interested person (as defined above) of the Fund because his law firm has provided legal services to the Investment Adviser.

\* Each of the Trustees of the Fund holds office until his or her successor shall have been duly elected and shall qualify, subject to prior death, resignation, retirement, disqualification or removal from office and applicable law and the rules of the New York Stock Exchange.

\*\* Each Trustee also serves as a Director of Western Asset Income Fund (closed-end investment company) and Western Asset Funds, Inc. (open-end investment company), which are considered part of the same Fund Complex as the Fund. The Investment Adviser and the Fund's subadviser, Western Asset Management



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Company Limited (the Subadviser ), also serve as adviser and subadviser, respectively, to Western Asset Income Fund, and each serves as subadviser to one or more series of Western Asset Funds, Inc. In addition, Mr. Gerken serves as Director/Trustee of an additional 152 funds associated with Legg Mason & Co. or its affiliates. Legg Mason & Co. is an affiliate of the Investment Adviser.

The following table states the dollar range of equity securities beneficially owned as of March 1, 2008 by each nominee in the Fund and, on an aggregate basis, in any registered investment companies overseen or to be overseen by the nominee in the same family of investment companies.

Name of Nominee	Dollar Range of Equity Securities in the Fund	Aggregate Dollar Range of Equity Securities in all Funds Overseen or to be Overseen by Nominee in Family of Investment Companies	
Ronald J. Arnault	None	\$10,001	\$50,000
Anita L. DeFrantz	None	\$10,001	\$50,000
Avedick B. Poladian	None		None
William E. B. Siart	None	\$50,001	\$100,000
Jaynie Miller Studenmund	None		None
<i>Interested Nominees</i>			
R. Jay Gerken	\$ 10,001	\$50,000	Over \$100,000
Ronald L. Olson		None	\$10,001 \$50,000

*Audit Committee.* The Board of Trustees has established an Audit Committee composed solely of Trustees who are not interested persons (as defined in the 1940 Act) of the Fund or the Investment Adviser or Subadviser, consisting of Messrs. Arnault, Poladian and Siart and Ms. Studenmund. Each member of the Audit Committee is independent, as independence for audit committee members is defined in the currently applicable listing standards of the New York Stock Exchange, on which the Common Shares of the Fund are listed and traded. The Audit Committee provides oversight with respect to the accounting and financial reporting policies and procedures of the Fund and, among other things, considers the selection of the independent registered public accounting firm for the Fund and the scope of the audit and approves services proposed to be performed by the independent registered public accounting firm on behalf of the Fund and, under certain circumstances, the Investment Adviser, Subadviser and certain affiliates. The Trustees have adopted a written charter for the Audit Committee, a copy of which was attached as Appendix A to the Fund's Proxy Statement dated March 30, 2007. The Fund does not currently maintain a website on which the charter is available.

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The Audit Committee of the Fund has submitted the following report:

The Audit Committee has reviewed and discussed with management of the Fund the audited financial statements for the last fiscal year. The Audit Committee has discussed with the Fund's independent registered public accounting firm the matters required to be discussed by Statements on Auditing Standards No. 61 (SAS 61). SAS 61 requires the independent registered public accounting firm to communicate to the Audit Committee matters including, if applicable: (1) methods used to account for significant unusual transactions; (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus; (3) the process used by management in formulating particularly sensitive accounting estimates and the basis for the independent registered public accounting firm's conclusions regarding the reasonableness of those estimates; and (4) disagreements with management over the application of accounting principles and certain other matters. The Audit Committee has received the written disclosures and the letter from the Fund's independent registered public accounting firm required by Independence Standards Board Standard No. 1 (requiring the independent registered public accounting firm to make written disclosures to and discuss with the Audit Committee various matters relating to its independence), and has discussed with such independent registered public accounting firm the independence of such independent registered public accounting firm.

Based on the foregoing review and discussions, the Audit Committee recommended to the Trustees the inclusion of the audited financial statements for the last fiscal year in the Fund's annual report to shareholders.

Ronald J. Arnault (Chairman)  
Avedick B. Poladian  
William E. B. Siart  
Jaynie Miller Studenmund

*Governance and Nominating Committee.* The Board of Trustees has established a Governance and Nominating Committee composed solely of Trustees who are not interested persons (as defined in the 1940 Act) of the Fund or the Investment Adviser or Subadviser, consisting of Ms. DeFrantz and Studenmund and Mr. Siart. The Governance and Nominating Committee meets to select nominees for election as Trustees of the Fund, to review and make recommendations to the Board with respect to Trustee compensation, and consider other matters of Board policy. The Trustees have adopted a written charter for the Governance and Nominating Committee, a current copy of which is included as Appendix A to this Proxy Statement. The Fund does not currently maintain a website on which the charter is available.

The Governance and Nominating Committee requires that Trustee candidates have a college degree or equivalent business experience, but has not otherwise established specific, minimum qualifications that must be met by an individual to be considered by the Committee for nomination as a Trustee. The Governance and

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Nominating Committee may take into account a wide variety of factors in considering Trustee candidates, including, but not limited to: (i) availability and commitment of a candidate to attend meetings and perform his or her responsibilities to the Board of Trustees, (ii) relevant industry and related experience, (iii) educational background, (iv) financial expertise, (v) an assessment of the candidate's ability, judgment and expertise and (vi) overall diversity of the Board's composition. The Governance and Nominating Committee may consider candidates for Trustee recommended by the Fund's current Trustees, officers, Investment Adviser or Subadviser, shareholders or any other source deemed to be appropriate by the Governance and Nominating Committee. Candidates properly submitted by shareholders (as described below) will be considered and evaluated on the same basis as candidates recommended by other sources.

The policy of the Governance and Nominating Committee is to consider nominees recommended by shareholders to serve as Trustee, provided that any such recommendation is submitted in writing to the Fund, to the attention of the Secretary, at the address of the principal executive offices of the Fund, not less than one hundred and twenty calendar days nor more than one hundred and thirty-five calendar days prior to the date of the meeting at which the nominee would be elected and that such shareholder recommendation contains the information about such nominee required by the Fund's procedures for shareholders to submit nominee candidates, which are a part of the Governance and Nominating Committee's Charter. The Governance and Nominating Committee has full discretion to reject nominees recommended by shareholders, and there is no assurance that any such person so recommended and considered by the Governance and Nominating Committee will be nominated for election to the Fund's Board of Trustees.

*Executive and Contracts Committee.* The Board of Trustees has established an Executive and Contracts Committee consisting of Messrs. Siart, Arnault, Poladian and Ms. DeFrantz. The Executive and Contracts Committee may meet from time to time between Board meetings in order to consider appropriate matters and to review the various contractual arrangements between the Fund and its affiliated persons.

*Meetings.* During 2007, the Board of Trustees held six meetings, the Audit Committee held six meetings, the Governance and Nominating Committee held one meeting, and the Executive and Contracts Committee held three meetings. Each Trustee attended at least 75% of the aggregate number of meetings of the Board of Trustees and the Committees of the Board of Trustees on which he or she served. The Fund also had a Compensation Committee that met once in February 2007 and was subsequently dissolved. The Governance and Nominating Committee has taken over responsibility for reviewing and making recommendations to the Board with respect to Trustee compensation. Although the Fund's policies do not require the Trustees to attend the Fund's annual shareholder meetings, annual meetings are generally held in connection with regularly scheduled meetings of the Board of Trustees. Each current Trustee attended the Fund's annual shareholder meeting in May 2007.

*Shareholder Communications.* The Board of Trustees has adopted a process for shareholders to send communications to the Board of Trustees. Shareholders may mail written communications to the attention of the

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Board of Trustees, care of the Fund's Secretary, at the principal executive offices of the Fund. The written communication must include the shareholder's name, be signed by the shareholder, refer to the Fund, and include the class and number of shares held by the shareholder as of a recent date.

*Trustee Compensation.* Effective April 1, 2008, each Trustee of the Fund who is not an interested person (as defined in the 1940 Act) of the Fund, the Investment Adviser or the Subadviser receives an aggregate fee of \$75,000 annually for serving on the combined Boards of Directors/Trustees of the Fund, Western Asset Funds, Inc. and Western Asset Income Fund. Each Trustee also receives a fee of \$7,500 and related expenses for each meeting of the Boards attended in-person and a fee of \$2,500 for participating in each telephonic meeting. The Chairman of the Board and the Chairman of the Audit Committee each receive an additional \$25,000 per year for serving in such capacities for the combined Boards. Each member of the Audit Committee receives a fee of \$5,000 for serving as a member of the Audit Committee for the combined Boards. Other committee members receive \$2,500 for serving as a member of each committee upon which they serve for the combined Boards. Committee members also receive a fee of \$2,500 for participating in each telephonic committee meeting. All such fees are allocated among the Fund, Western Asset Funds, Inc. and Western Asset Income Fund according to each such investment company's average annual net assets. Additionally, Mr. Olson receives from the Investment Adviser an aggregate fee of \$92,500 annually for serving on the combined Boards of Directors/Trustees of the Fund, Western Asset Funds, Inc. and Western Asset Income Fund, as well as a fee of \$7,500 and related expenses for each meeting of the combined Boards attended in-person and a fee of \$2,500 for participating in each telephonic meeting.

For the fiscal year ended December 31, 2007, the Trustees received the compensation set forth in the following table for serving as Trustees of the Fund and as Directors of other funds in the same Fund Complex.

Name of Nominee	Aggregate Compensation from the Fund	Pension or Retirement Benefits Accrued as Part of Fund's Expenses	Estimated Annual Benefits Upon Retirement	Total Compensation from the Fund and its Fund Complex Paid to Trustees(1)
Ronald J. Arnault	\$ 8,446	\$ 0	\$ 0	\$ 137,500
Anita L. DeFrantz	\$ 6,364	\$ 0	\$ 0	\$ 105,000
Avedick B. Poladian	\$ 6,176	\$ 0	\$ 0	\$ 95,000
William E. B. Siart	\$ 8,481	\$ 0	\$ 0	\$ 140,000
Jaynie M. Studenmund	\$ 4,760	\$ 0	\$ 0	\$ 107,500
<i>Interested Nominees</i>				
R. Jay Gerken	\$ 0	\$ 0	\$ 0	\$ 0
Ronald L. Olson	\$ 0	\$ 0	\$ 0	\$ 0

(1) Includes amounts received in 2007 from the Fund and from Western Asset Income Fund and Western Asset Funds, Inc., which are considered part of the same Fund Complex as the Fund.

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During 2007, the Fund paid no remuneration to its officers, all of whom were also officers or employees of the Investment Adviser or one of its affiliates.

*Required Vote.* Except with respect to Mr. Siart and Ms. Studenmund, the Trustees of the Fund will be elected by a plurality vote of the Shares voted on the election of Trustees at the Annual Meeting, in person or by proxy. Mr. Siart and Ms. Studenmund will be elected by a plurality vote of the Preferred Shares (voting as a separate class) voted on their election at the Annual Meeting, in person or by proxy. The Trustees unanimously recommend that shareholders vote to elect each of the nominees listed above to the Board of Trustees.

**INFORMATION CONCERNING THE INVESTMENT  
ADVISER AND SUBADVISER AND THE FUND'S OFFICERS**

The Investment Adviser and the Subadviser are subsidiaries of Legg Mason, Inc., a holding company which, through its subsidiaries, is engaged in providing investment advisory services to individuals and institutions. The address of Legg Mason, Inc. is 100 Light Street, Baltimore, Maryland 21202. The Investment Adviser's address is 385 East Colorado Boulevard, Pasadena, California 91101. The Subadviser's address is 10 Exchange Square, London, England EC2A2EN. An affiliate of the Investment Adviser, Legg Mason Fund Adviser, Inc., 100 Light Street, Baltimore, Maryland 21202, provides administrative services to the Fund.

Information regarding the executive officers of the Fund and their ownership of Shares is set forth below, except that information regarding Mr. Gerken, the President of the Fund and a nominee, is provided in the table above with the other nominees. Unless otherwise noted, the address of each officer is c/o the Fund at the address listed above.

<b>Name and Year Born</b>	<b>Position(s) Held with Fund</b>	<b>Term of Office and Length of Time Served(1)</b>	<b>Principal Occupation(s) During the Past 5 Years</b>	<b>Common Shares of the Fund Beneficially Owned on March 1, 2008</b>
D. Daniel Fleet 1957	Vice President	Served since 2006	Director of International and President of the Investment Adviser (2006-present); Vice President of Western Asset Income Fund and Western Asset Funds, Inc. (2006-present); Director, Western Asset Management Ltd. (2006-present); Director of Risk Management of the Investment Adviser (1999-2006).	None
Gavin L. James 1960	Vice President	Served since 2002	Director of Global Client Services and Marketing of the Investment Adviser (1998-present).	None



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<b>Name and Year Born</b>	<b>Position(s) Held with Fund</b>	<b>Term of Office and Length of Time Served(1)</b>	<b>Principal Occupation(s) During the Past 5 Years</b>	<b>Common Shares of the Fund Beneficially Owned on March 1, 2008</b>
S. Kenneth Leech 1954	Vice President	Served since 2001	Chief Investment Officer of the Investment Adviser (1998-present); Vice President of Western Asset Funds, Inc. (1990-present) and Western Asset Income Fund (1998-present).	None
Stephen A. Walsh 1958	Vice President	Served since 2001	Deputy Chief Investment Officer of the Investment Adviser (2000-present); Vice President of Western Asset Funds (1994-present).	29
Marie K. Karpinski 1949  100 Light Street Baltimore, MD 21202	Principal Financial and Accounting Officer	Served since 2001	Vice President, Legg Mason & Co. (2005-present); Vice President, Legg Mason Wood Walker, Incorporated (1992-2005); Vice President (1986-present), Treasurer (1986-2006) and Chief Financial Officer (2006-present) of all Legg Mason open-end investment companies; Treasurer and Principal Financial and Accounting Officer of Western Asset Income Fund (2001-2006 and 2001-present, respectively), Western Asset Funds, Inc. (1999-2006 and 1990-present, respectively), Western Asset/Claymore Inflation-Linked Opportunities & Income Fund (2004-present) and Western Asset/Claymore Inflation-Linked Securities & Income Fund, (2003-present); Treasurer of the Fund (2001-2006).	500

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<b>Name and Year Born</b>	<b>Position(s) Held with Fund</b>	<b>Term of Office and Length of Time Served(1)</b>	<b>Principal Occupation(s) During the Past 5 Years</b>	<b>Common Shares of the Fund Beneficially Owned on March 1, 2008</b>
Erin K. Morris 1966  100 Light Street Baltimore, MD 21202	Treasurer	Served since 2006	Assistant Vice President and Manager, Funds Accounting, Legg Mason & Co., LLC (2005-present); Assistant Vice President of Legg Mason Wood Walker, Incorporated (2002-2005); Treasurer of Legg Mason Income Trust, Inc., Legg Mason Tax-Free Income Fund, Western Asset Funds, Inc. and Western Asset Income Fund (2006-present); Assistant Treasurer of Western Asset/Claymore Inflation-Linked Securities & Income Fund (2003-present), Western Asset/Claymore Inflation-Linked Opportunities & Income Fund (2004-present); Assistant Treasurer, the Fund, Western Asset Funds, Inc., Western Asset Income Fund, Legg Mason Income Trust, Inc. and Legg Mason Tax-Free Income Fund (2001-2006); Manager, Funds Accounting, Legg Mason Wood Walker, Incorporated (2000-2005).	None
Susan C. Curry 1966  125 Broad St. New York, NY 10004	Assistant Treasurer	Served since 2007	Director of Tax Mutual Funds, Legg Mason & Co. (2005-present); Director of Tax Mutual Funds, Citigroup (2004-2005); Assistant Treasurer, Western Asset Funds, Inc., Western Asset Income Fund, Western Asset/Claymore Inflation-Linked Securities & Income Fund and Western Asset/Claymore Inflation-Linked Opportunities & Income Fund (2007-present); Partner, Deloitte & Touche (1990-2004).	None

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Todd F. Kuehl 1969  100 Light Street Baltimore, MD 21202	Chief Compliance Officer	Served since 2007	Vice President, Legg Mason & Co. (2006-present); Chief Compliance Officer of Western Asset/Claymore Inflation-Linked Securities & Income Fund, Western Asset/Claymore Inflation-Linked Opportunities & Income Fund, Western Asset Income Fund and Western Asset Funds, Inc. (2007-present) and Barrett Growth Fund and Barrett Opportunity Fund (2006-present); Branch Chief, Division of Investment Management, U.S. Securities and Exchange Commission (2002-2006).	None
Richard M. Wachterman 1947  100 Light Street Baltimore, MD 21202	Secretary	Served since 2008	Associate General Counsel, Legg Mason & Co. (2004-present); Managing Director, Victory Capital Management (1981-2003); Secretary, Legg Mason Funds (2004-present); Secretary, Western Funds (2008-present); Vice President, Legg Mason Fund Adviser, Inc. (2007-present).	None

(1) Each officer holds office until his or her respective successor is chosen and qualified, or in each case until he or she sooner dies, resigns, is removed with or without cause or becomes disqualified.

**SHAREHOLDER PROPOSALS FOR 2009 ANNUAL MEETING**