

Legg Mason Martin Currie Property Securities Trust Product Disclosure Statement

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Legg Mason Martin Currie Property Securities Trust
ARSN 088 677 187

Legg Mason Asset Management Australia Limited ("Legg Mason Australia") ABN 76 004 835 849, AFS license number 240 827

Need more information?

Please contact Legg Mason Australia on freecall 1800 679 541 or visit our website at www.leggmason.com.au.

This Product Disclosure Statement (PDS) is:

- i) a summary of significant information and contains a number of references to important information (each of which forms part of the PDS); and
- ii) you should consider this information before making a decision about the Legg Mason Martin Currie Property Securities Trust ("Trust"); and
- iii) the information provided in the PDS is general information only, is not a recommendation to invest in the Trust and does not take into account your personal financial situation or needs; and
- iv) you should obtain financial advice tailored to your personal circumstances.

The offer to which this PDS relates is available only to persons receiving the PDS (electronically or otherwise) in Australia.

Investments are subject to risks, some of which are outlined in this PDS. Legg Mason Australia ("Responsible Entity", "we", "our" or "us") does not guarantee any payment of income or repayment of capital or the performance of your investment in the Trust. It is important that you understand and accept the risks before you invest in the Trust.

Updated information

The information in this PDS is up to date at the time of preparation. However, information relating to the Trust that is not materially adverse information is subject to change from time to time. We may update this information.

For updated information about the Trust (such as performance) please consult your financial planner, call us on 1800 679 541 or visit our website www.leggmason.com.au.

We will provide you with a paper copy of any updated information without charge upon request. If there is a change in information which we consider is materially adverse we will generally issue a new PDS.

25 May 2015


1 About Legg Mason Australia

The Responsible Entity is solely responsible for the management of the Trust, which includes day-to-day administration and making investment decisions.

We are part of the Legg Mason Inc, one of the largest asset management firms in the world. Legg Mason Inc was established in 1899 and is listed on the New York Stock Exchange.

Martin Currie Australia (the Investment Manager), a division of the Responsible Entity, manages the assets of the Trust. The Investment Manager is an Australian asset management business with over 30 years of investment management experience. The guiding investment philosophy of the Investment Manager is that in-depth proprietary research can generate superior long term investment performance. The Investment Manager comprises an experienced and stable investment team with a strong mix of fundamental company research, quantitative statistical analysis and portfolio trading.

The Investment Manager relies upon the analysis of individual property securities. The valuation of securities is based on a long-term cash flow based analysis, using a bottom-up selection approach.

-  1. You should read the important information about Legg Mason Australia making a decision. Go to the "About Legg Mason" section of the Additional Information Booklet which is available at www.leggmason.com.au.
- 2. The material relating to Legg Mason Australia may change between the time when you read the PDS and the day when you acquire the product.

2 How the Legg Mason Martin Currie Property Securities Trust works

About the Trust and structure

The Trust is a registered managed investment scheme that is an unlisted Australian unit trust. The Trust comprises assets which are acquired by the Responsible Entity in accordance with the investment strategy for the Trust. The Trust is governed by a constitution ("**Constitution**"). The terms and conditions of the Constitution are binding on each Unit holder (and all persons claiming through them).

A Unit holder's interest in the Trust is represented by "**Units**". A Unit holder has an interest in the assets of the Trust as a whole, subject to the liabilities of the Trust. A Unit holder does not have an interest in any particular asset of the Trust.

Eligible Investors can acquire interests in the Trust by applying for Units and can redeem from the Trust by making a withdrawal request in relation to the Units they hold.

The price at which Units are acquired ("**Application Price**") or redeemed ("**Redemption Price**") is determined in accordance with the Constitution. The Application Price and the Redemption Price on a Business Day are, in general terms,

equal to the product of the Net Asset Value of the Trust divided by the number of Units on issue and:

- for the Application Price, adjusted up for transaction costs (called the "**buy spread**"); and
- for the Redemption Price, adjusted down for transaction costs (called the "**sell spread**").

The Application Price and the Redemption Price are generally determined each Business Day. The Application Price and the Redemption Price for Class A Units reflect the deduction of management fees.

The Application Price and the Redemption Price will increase as the market value of the Trust's assets increases and will decrease as the market value of the Trust's assets decreases.

How do you invest in the Trust?

The offer of Units under this PDS is only open to persons who are wholesale clients for the purposes of the Corporations Act ("**Eligible Investors**").

An Eligible Investor can acquire Units by making an application for Units. An application for Units is made by submitting an application form to the Responsible Entity.

Application forms need to be received by the administrator, RBC Investor & Treasury Services, and appropriate funding provided to the Trust's nominated bank account by 11.00 am on a Business Day to receive that day's Application Price. Refer Section 8 "How to Apply" for more information.

Classes of Units

The Responsible Entity may offer or withdraw classes of Units. Currently under this PDS two classes of Units are offered: Class "A" and Class "X". Eligible Investors will usually be issued Class A Units. Class X Units are only issued to an Eligible Investor where the management fee arrangements are separately negotiated between the Responsible Entity and the Eligible Investor and charged separately. Accordingly the unit prices of Class X units do not include a deduction of the negotiated management fee. The unit prices of Class A reflect the deduction of management fees. The Responsible Entity has the ability to issue further classes of Units under separate PDSs or other offer documents from time to time. The unit prices of both classes reflect the deduction of the responsible entity fee, other trust costs and transaction and operational costs (see Section 6 for details).

How do you redeem from the Trust?

A Unit holder can dispose of Units by making a redemption from the Trust. A redemption is made by lodging a redemption request with the Responsible Entity. Redemption requests need to be received by us by 11.00 am on a Business Day to receive that day's Redemption Price.

Redemptions are typically paid within five Business days although the Constitution allows us up to 60 Business days or longer in certain circumstances. In some circumstances, such as suspension of trading on the Australian Securities

Exchange, Unit holders may not be able to redeem their Units within the usual period upon request.

If the Trust becomes illiquid, for the purposes of the Corporations Act, then you may only redeem from the Trust in accordance with the terms of a redemption offer (if any) made by the Responsible Entity in accordance with the Corporations Act.

There is no obligation on the Responsible Entity to make a redemption offer. The Responsible Entity anticipates that the Trust will generally be liquid.

Minimum investment

Unless otherwise determined by us, the minimum initial investment is \$200,000.

Valuation of Trust assets and unit pricing

The Trust's assets are usually valued each Business Day. Unit prices are usually calculated each Business Day. We may declare Unit prices more or less frequently or delay calculation in certain circumstances.

A formal written policy has been established by us in relation to the guidelines and any relevant factors that are taken into account when exercising any discretion in calculating unit prices (including determining the value of assets and the amount of liabilities). A copy of our policy is available to investors on request free of charge.

Distributions and payment methods

The Trust may distribute income at 30 September, 31 December and 31 March each year and will distribute any income at 30 June each year. A Unit holder's entitlement to distributions of income is determined based on the number of units held on the distribution date. Distributions will be paid within 60 days of the end of the relevant distribution period. Unit holders who redeem Units during a distribution period will not receive a distribution of income in respect of those Units for that distribution period. The amount of the income distributed to the Unit holder will also depend on the class of Units held by the Unit holder, to reflect the different management fee arrangements and, if applicable, performance fees for each Class. Income attributable to each Class may be impacted by the total level of fees charged to the Trust. You may use the "Standing Application for Units" form to elect to reinvest distributions. Reinvested distributions will be taken to be issued on the next day after the end of the relevant distribution period. The Application Price for Units issued on the reinvestment of distributions will be based on the net asset value of the Trust used to calculate the last Application Price for the relevant distribution period adjusted for certain income amounts. Distributions will be reinvested into additional Units unless otherwise directed by you.



1. You should read the important information about how the Trust works before making a decision. Go to the "About the Trust" section of the Additional Information Booklet which is available at www.leggmason.com.au.

2. The material relating to the acquisition and disposal of interest in the Trust may change between the time when you read the PDS and the day when you acquire the product.

3

Benefits of investing in the Legg Mason Martin Currie Property Securities Trust

Significant features

The investment process of the Trust is designed to add value by building an attractively valued portfolio of property securities.

Significant benefits

The Trust offers a number of significant benefits:

- exposure to Australian listed property trusts and property related listed equities that the Investment Manager believes are undervalued and offer the opportunity for higher returns;
- professional management of your investment with an experienced investment manager;
- diversification benefits that would be difficult to achieve through direct investment;
- disciplined portfolio construction; and
- web-based reporting that includes performance, market commentary and portfolio strategy.

4

Risks of managed investment schemes

You should note:

- all investments carry risk;
- different strategies may carry different levels of risk depending on the assets that make up the strategy;
- assets with the highest long-term returns may also carry the highest level of short-term risk;
- the value of investments will vary;
- the level of returns will vary and future returns may differ from past returns; and
- returns are not guaranteed and you may lose some of your money.

The laws affecting registered managed investment schemes may change in the future. Your personal risk level will vary depending on a range of factors, including, age, investment time frames, where other parts of your wealth are invested and your risk tolerance.

The significant risks of investing in the Trust include:

- market risks, including declines in asset prices, unfavourable economic conditions, changes in government regulation, inflation and lack of liquidity (in this context, "lack of liquidity" means investments may not be readily disposed of);

- manager risks, including human error, system failures, poor procedures, lack of management controls, termination of the Trust, counterparty risk, changes in fees, replacement of the Responsible Entity and replacement of the Investment Manager;
- counterparty risks, including when a counterparty either cannot or will not meet its obligations;
- investment risks, including benchmark performance that is below Unit holder expectations and/or the Trust not meeting its investment objective; and
- the risks of implementing investment decisions using derivatives, including market risks, manager risks, counterparty risks, the risks of a derivative position unexpectedly not corresponding with the intended exposure and the risks of a derivative position inadvertently not being backed by cash, cash equivalents or securities. A derivative position that is not appropriately backed may cause the Trust to be inadvertently leveraged.

Techniques used to manage risks include:

- extensive research;
- active portfolio management;
- risk management systems;
- compliance monitoring;
- monitoring economic factors;
- maintaining disciplined management controls;
- auditing operational procedures; and
- managing derivatives, including requiring derivatives to be supported by cash, cash equivalents or securities.



1. You should read the important information about investment risks before making a decision. Go to the 'Risks' section of the Additional Information Booklet which is available at www.leggmason.com.au.
2. The material relating to investment risks may change between the time when you read the PDS and the day when you acquire the product.

5 How we invest your money

Warning: you should consider the likely investment return, the risk, and your investment timeframe when choosing whether to invest in the Trust.

What is the Trust's investment objective?

The Trust aims to earn a return before fees and taxes of 1.5% p.a. above the S&P/ASX 300 A-REIT Accumulation Index ("Benchmark") over rolling three year periods.

The approach used by Martin Currie Australia relies upon the analysis of individual property securities. The normalised earnings and intrinsic value of each security is based on long term cash flow based analysis. The aim is to look through the short term noise of market cycles and to focus on the sustainability of cash flows. Disciplined portfolio construction rules and risk controls are adhered to.

What does the Trust invest in?

The Trust predominately invests in Australian listed property trusts and property-related listed equities and may hold cash. The Trust aims to hold investments so that at time of purchasing securities:

- exposure to individual securities is no more than 6% above the Benchmark weight; and
- a diversified exposure to property security sub sectors (as determined by Martin Currie Australia, such as diversified property, retail property, commercial property, infrastructure, etc) is obtained.

While the maximum cash holding is 10%, the portfolio is intended to be fully invested in securities at all times with cash being held for liquidity purposes only.

The Trust does not intend to borrow.

What is the suggested investor profile and minimum time frame for investment?

A minimum time frame for investment of 3+ years is suggested. The Trust should be suitable mainly for investors seeking an investment in Australian shares with long term financial goals.

Risk level

The Responsible Entity considers the risk level of the Trust to be medium. The Investment Manager has risk control methodologies in place which aim to mitigate the overall level of risk.

Performance

Investment performance of the Trust is published on our internet site at <http://www.leggmason.com.au>. Past performance is not necessarily a guide to future performance.

Changing the investment objective

The Responsible Entity is permitted to change how it invests the assets of the Trust at any time. If the Responsible Entity changes the investment objective of the Trust the Responsible Entity will advise Unit holders of the change.

Labour standards and environmental, social and ethical considerations

Environmental, social and governance considerations (including labour standards and ethical considerations) are taken into account in determining the value of a company. The value of a company is then considered by the Investment Manager in the selection, retention and realisation of investments.

Investment options

There are no other investment options for the Trust.

Switching

Switching is not available for the Trust.



1. You should read the important information about how we use derivatives before making a decision. Go to the 'Investment Information' section of the Additional Information Booklet which is available at www.leggmason.com.au.
2. The material relating to how we invest your money may change between the time when you read the PDS and the day when you acquire the product.

6 Fees and costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your Trust balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as a superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask your Trust or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investment Commission (ASIC)** website (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options.

Type of fees or cost	Amount
Fees when your money moves in our out of the Trust	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	Nil
Termination fee	Nil
Investment costs (Class A)	0.660% * per annum of the net asset value of the Trust referable (inclusive of GST but less any expected RITCs). For a constant investment of \$200,000 the amount in dollars is \$1,320.
The fees and costs for managing your investment.	
Estimated Administration and Other Trust's Costs:	0.072% per annum of the net asset value of the Trust (inclusive of GST but less any expected RITCs). For a constant investment of \$200,000 the amount in dollars is \$144.
The fees and costs incurred in operating the Trust.	
Indirect Cost Ratio (ICR) ¹	0.732%

* The amount of this fee can be negotiated.

The information in the table above can be used to compare costs between different simple managed investment schemes. Fees and costs are deducted from the assets of the Trust and reduce the investment return to Unit holders.

Example of annual fees and costs for the Trust

This table gives an example of how the fees and costs for the Trust can affect your investment over a 1 year period. You should use this table to compare this Trust with other managed investment products.

Legg Mason Martin Currie Property Securities Trust

Class A Units Amount Balance of \$200,000 with a contribution of \$5,000 during year

Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
Plus Management Costs ¹	0.732%	And, for every \$200,000 you have in the Trust you will be charged \$1,464 each year.
Equals Cost of Trust		If you had an investment of \$200,000 at the beginning of the year and you put in an additional \$5,000 during a year you would be charged fees of: \$1,464 What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser ²

¹ This amount reflects the ICR and is inclusive of GST after allowing an estimate for RITCs which effectively reduces the impact of GST payable in relation to certain supplies. The ICR is the ratio of the Trust's management costs that are not deducted directly from a Unit holder's account, to the Trust's total average net assets. The ICR is calculated as at 30 June 2014.

² You should note that this example assumes a constant investment balance of \$200,000 in Class A units throughout the year. Management costs will also be charged in relation to any additional contributions you make during the year and the amount you pay will depend on the proportion of the year during which the additional contributions are invested. Please note there are no investment options in respect of this PDS.

Note: This is an example. In practice, the actual investment balance of an investor will vary daily and the actual fees and expenses we charge are based on the value of the Trust, which also fluctuates daily.

Investment Costs

The “Investment Costs” identified in the “Types of fees or costs” table comprise a management fee of 0.639% and responsible entity fee of 0.021% (inclusive of GST).

Other Trust costs

The “Estimate Administration and Other Costs” identified in the “Types of fees or costs” table are based on the estimated expenses that may be incurred for a financial year. Under the Trust’s Constitution, Legg Mason Australia is entitled to recover from the Trust all expenses which are incurred in the proper performance and exercise of its powers and duties. Consequently, the expenses that are actually recovered may be higher than the estimated “Estimated Administration and Other Costs”.

Other Trust costs include the costs and/or expenses of the Trusts (including those of the Responsible Entity, the Custodian and the Administrator). Administration and Other Trust costs may also include financial institution fees, costs of unitholders’ meetings, costs of amending the Constitution of each Trust, costs of engaging auditors and/or other advisers, costs of promoting the Trusts, costs of compliance, costs of New South Wales duty and administrative costs generally.

Transactional and operational costs

In addition to the Administration and Other Trust costs, the Trust may incur transactional and operational costs such as brokerage, settlement and clearing costs. Transactional and operational costs incurred as a result of Unit holders coming into and going out of the Trust may be accounted for in the Buy/Sell Spread. Other transactional and operational costs are additional costs to Unit holders that are deducted from the assets of the Trust. Such costs are recovered as they are incurred and reflected in the unit price.

The “Types of fees or costs” table does not include an estimate of these other transactional and operational costs as it is not possible to come up with a meaningful estimate of such costs. The turnover in the underlying assets may change substantially as investment and market conditions change, which may affect the level of transactional and operational costs not covered in the Buy/Sell Spread. Further, due to the highly variable drivers upon which such transactional and operational costs are dependent, any estimate provided may not be indicative of future transactional and operational costs not covered in the Buy/Sell Spread.

Differential fee arrangements

We may enter into individual fee arrangements with “wholesale clients” (as defined in the Corporations Act) in accordance with applicable ASIC class order relief.

Change in fees

We may vary the fees specified at any time at our absolute discretion, without Unit holder consent, subject to the maximum fee amounts specified in the Constitution. If the variation is an increase we will give you 30 days advance written notice.

The Constitution provides for the following maximum fees:

- For Class A units a management fee of 0.638% p.a. of the net asset value of the Trust (\$1,276 for every \$200,000 invested);
- a responsible entity fee of 0.082% p.a. of the net asset value of the Trust (\$1,640 for every \$200,000 invested);
- a contribution fee of 2.05% of the application amount (\$4,100 for every \$200,000 invested);
- a redemption fee of 2.05% of the withdrawal amount (\$4,100 for every \$200,000 invested);

At the date of this PDS we do not intend to charge a contribution fee or redemption fee nor do we intend to increase the combined responsible entity fee and management fee we charge you (which is specified in the Management costs section of the fee table).

We can recover out of the assets of the Trust all expenses which are properly incurred in operating the Trust including, without limitation, amounts payable in connection with custody, compliance, legal and tax consulting fees, banking, accounting and audit.

Buy/Sell Spread estimate

The Buy/Sell Spread is an estimate of the transaction costs that are incurred in buying and selling the underlying assets of the Trust as a result of applications and redemptions. The Application Price is adjusted up by a buy spread of 0.20% and the Redemption Price is adjusted down by a sell spread of 0.20%. We can change the Buy/Sell Spread at any time without prior notice.

Calculator

The Australian Securities and Investments Commission provides a fees calculator at www.moneysmart.gov.au. This calculator can be used to calculate the effects of fees and costs on your investment.



1. You should read the important information about fees and costs of investing in the Trust before making a decision. Go to the ‘Additional Explanation of Fees and Costs’ section of the Additional Information Booklet available at www.leggmason.com.au.
2. The material relating to the fees and costs of investing in the Trust may change between the time when you read the PDS and the day when you acquire the product.

7 How managed investment schemes are taxed

Warning: Investing in a registered managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice.

You should note that:

- the Responsible Entity and the Trust do not pay tax on behalf of Unit holders; and
- Unit holders are assessed for tax on any income and capital gains generated by the Trust.

We recommend you seek advice from your financial or tax advisor.



1. You should read the important information about how managed investment schemes are taxed before making a decision. Go to the 'Taxation' section of the Additional Information Booklet available at www.leggmason.com.au.
2. The material relating to how managed investment schemes are taxed may change between the time when you read the PDS and the day when you acquire the product.

8 How to apply

How to invest in the Trust

To invest in the Trust, read this PDS and also complete the Application Form. The Application Form is available from our website www.leggmason.com.au or by calling 1800 679 541.

The Responsible Entity authorises the use of this PDS by investors ("**Indirect Investors**") who wish to access the Trust through an authorised master trust or wrap account, investor directed portfolio service, investor directed portfolio service-like scheme or nominee or custody service (collectively referred to as "**Master Trust or Wrap Service**") located in Australia. The operator of a Master Trust or Wrap Service is referred to in this PDS as the Operator and the disclosure document for a Master Trust or Wrap Service is referred to as the Master Trust or Wrap Guide.

If you invest through a Master Trust or Wrap Service, your rights and liabilities will be governed by the terms and conditions of the Master Trust or Wrap Guide. Indirect Investors should apply for Units by using the Master Trust or Wrap Guide and applicable application form provided by the Operator of the Master Trust or Wrap Service.

Complaints handling

We have established procedures for dealing with complaints. If you are a Unit holder in the Trust (that is, you have not invested via a Master Trust or Wrap Service) and you have a complaint, you should contact us on 1800 679 541.

If you have invested via a Master Trust or Wrap Service and have a concern, you should first contact the Operator of the Master Trust or Wrap Service through which you invested in the Trust. The Operator will handle your complaint in accordance with its complaint handling procedures and may, in accordance with those procedures, refer the complaint to us.

If any issues remain unresolved, Unit holders can contact the Financial Ombudsman Service Limited on 1300 780 808 or at the address below:

Financial Ombudsman Service Limited (FOS)
GPO Box 3
Melbourne VIC 3001

FOS may not consider a dispute where the value of a person's claim exceeds \$500,000.

Cooling off

No cooling off period applies in relation to Units issued to Eligible Investors.

The right to cool off does not apply to you if you invest in the Trust through a Master Trust or Wrap Service as you do not acquire the rights of a Unit holder in the Trust.

If you have any questions about cooling off rights please contact your financial planner or us on 1800 679 541.



1. You should read the important information about applying to invest in the Trust before making a decision. Go to the 'How to transact' section of the Additional Information Booklet available at www.leggmason.com.au.
2. The material relating to how to transact may change between the time when you read the PDS and the day when you acquire the product.

9 Other information

Related party transactions

Subject to the Corporations Act, we and our associates may hold Units. We are also permitted by the Constitution (subject to the Corporations Act), to deal with ourselves (as responsible entity of the Trust or in another capacity), an associate or any Unit holder; have an interest in any contract or transaction with ourselves (as responsible entity of the Trust or in another capacity), an associate or any Unit holder and retain for our own benefit any profits or benefits derived from such contract or transaction and act in the same or similar capacity in relation to any other managed investment schemes.

Unit holders' rights and the Constitution

Your rights as Unit holder in the Trust are governed by the Trust's Constitution and the Corporations Act. The Trust is governed by the Constitution which sets out how the Trust is to be operated. The terms of the Constitution are binding on the Responsible Entity and all Unit holders.

Protecting your privacy

Your right to privacy is important to us. Our privacy statement is available from our website www.leggmason.com.au. It contains important information in relation to our collection, use and disclosure of personal information.



1. You should read the important information about privacy, the operation of the Trust and the retirement of the Responsible Entity before making a decision. Go to the 'Additional important information' section of the Additional Information Booklet available at www.leggmason.com.au.
2. The material relating to privacy, the operation of the Trust and the retirement of the Responsible Entity may change between the time when you read the PDS and the day when you acquire the product.

Interpretations and definitions:

In this PDS:

"Business Day" means a day, other than a Saturday or Sunday on which banks are open for business in Melbourne.

"Corporations Act" means the Corporations Act 2001 (Cth).

"RITC" means reduced input tax credit.

"Trust" means the Legg Mason Martin Currie Property Securities Trust.

In this PDS, all fees and costs are expressed in Australian dollars inclusive of GST less any RITC. References to "you" or "your" refers to you as the reader of the PDS.

Need more information?

Please contact Legg Mason on freecall 1800 679 541 or visit our website at www.leggmason.com.au.