T.RowePrice

STATEMENT OF ADDITIONAL INFORMATION

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R, Pmuc Npgac ?jj+A_n Mnnmprslgrgcq Nmprdmjgm	O?MQUV
R, Pmuc Npgac @jsc Afgn Epmurf Nmprdmjgm	O???HV
R, Pmuc Npgac @jsc Afgn Epmurf NmprdmjgmÇGG	O??EVV
R, Pmuc Npgac Cosgrw Glamkc Nmprdmjgm	O??FAV
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R, Pmuc Npgac Fc_jrf Qagclacq NmprdmjgmÇGG	O??F@V
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R, Pmuc Npgac Kgb+A_n Epmurf NmprdmjgmÇGG	O??EQV
R, Pmuc Npgac Kmbcp_rc ?jjma_rgml Nmprdmjgm	O??EPV
R, PMUC NPGAC DGVCB GLAMKC QCPGCQ* GLA,	
R, Pmuc Npgac Jgkgrcb+Rcpk @mlb Nmprdmjgm	O??EUV
R, Pmuc Npgac Jgkgrcb+Rcpk @mlb NmprdmjgmÇGG	O??ESV
R, PMUC NPGAC GLRCPL?RGML?J QCPGCQ* GLA,	
R, Pmuc Npgac Glrcpl_rgml_j Qrmai Nmprdmjgm	O??EWV

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1-800-638- 660

This SAI is not a prospectus. It should be read in conjunction with the appropriate current fund prospectus, which may be obtained from T. Rowe Price Investment Services, Inc. (Gltcqrkclr Qcptgacq), the Corporation's principal underwriter (Bgqrpg`srmp). If you would like a prospectus or an annual or semiannual shareholder report for a fund, please visit troweprice.com or call 1-800-638-5660 and it will be sent to you at no charge. Please read this material carefully.

The prospectus for each fund is dated as shown above, as such prospectus may be revised from time to time. Capitalized terms used herein that are not defined have the same meaning as in the prospectuses, unless otherwise noted.

Shares of the funds are designed to be offered to insurance company separate accounts established for the purpose of funding variable annuity contracts and variable life insurance contracts. Variable annuity and variable life insurance contract holders or participants are not the shareholders of the fund. Rather, the separate account of the insurance company is the shareholder. The variable annuity and variable life insurance contracts are described in separate prospectuses issued by the insurance companies. The funds assume no responsibility for any insurance company prospectuses or variable annuity or variable life insurance contracts.

PART I – TABLE OF CONTENTS

References to the following are as indicated:

Fitch Ratings, Inc. (Dgraf)
Internal Revenue Code of 1986, as amended (Ambc)
Internal Revenue Service (GPQ)
Investment Company Act of 1940, as amended (/72. ?ar)
Moody's Investors Service, Inc. (Kmmbwq)
Securities Act of 1933, as amended (/711 ?ar)
Securities and Exchange Commission (QCA)
Securities Exchange Act of 1934, as amended (/712 ?ar)
S&P Global Ratings (Q$N)
T. Rowe Price Australia Limited (Npgac ?sqrp_jg_)
T. Rowe Price Hong Kong Limited (Npgac Fmle Imle)

The officers and directors of the Price Funds are listed on the following pages. Unless otherwise noted, the address of each officer and director is 100 East Pratt Street, Baltimore, Maryland 21202.

Each fund is overseen by a Board of Directors &@m_pb) that meets regularly to review a wide variety of matters affecting or potentially affecting the funds, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Boards elect the funds' officers and are responsible for performing various duties imposed on them by the 1940 Act, the laws of Maryland, and other applicable laws. The directors who are also employees or officers of T. Rowe Price are considered to be "interested" directors as defined in Section 2(a)(19) of the 1940 Act because of their relationships with T. Rowe Price and its affiliates. Each interested director and officer (except as indicated in the tables setting forth the directors' and officers' principal occupations during the past five years) has been an employee of T. Rowe Price or its affiliates for five or more years. The Boards held five regularly scheduled formal meetings during calendar year 2023. The same directors currently serve on the Board of all the exchange-traded funds sponsored and managed by T. Rowe Price (such exchange-traded funds, the "Npgac CRDq," and together with the Price Funds, the "Npgac Amknjcv"). Although the Boards have direct responsibility over various matters (such as approval of advisory contracts and review of fund performance), each Board also exercises certain of its oversight responsibilities through several committees that it has established and which report back to the full Boards. The Boards believe that a committee structure is an effective means to permit directors to focus on particular operations or issues affecting the funds, including risk oversight. Each Board currently has three standing committees that are joint with the board of the Price ETFs (hereinafter referred to as "Joint" committees): a Joint Nominating and Governance Committee, a Joint Audit Committee, and a Joint Executive Committee.

Robert J. Gerrard, Jr., an independent director, serves as the chair of the Board of each Price Fund. The chair presides at all meetings of the Boards and all executive sessions of the independent directors. He also reviews and provides guidance on Board meeting agendas and materials, and typically represents the independent directors in discussions with T. Rowe Price management. Each fund's Board has determined that its leadership and committee structure is appropriate because the Board believes that it sets the proper tone for the relationship between the fund, on the one hand, and T. Rowe Price or its affiliates and the fund's other principal service providers, on the other, and facilitates the exercise of the Board's independent judgment in evaluating and managing the relationships. In addition, the structure efficiently allocates responsibility among committees and the full Boards. The same independent directors currently serve on the Boards of all of the Price Funds. This approach is designed to provide effective governance by exposing the independent directors to a wider range of business issues and market trends, allowing the directors to better share their knowledge, background, and experience and permitting the Boards to operate more efficiently, particularly with respect to matters common to all Price Funds.

The Joint Nominating and Governance Committee consists of all of the independent directors of the funds, and is responsible for, among other things, seeking, reviewing, and selecting candidates to fill independent director vacancies cand] l' va

(3) management's response to the findings of the most recent audits; (4) the scope of the audits to be performed; (5) the accountants' fees; (6) the qualifications, independence, and performance of the independent registered public accounting firm; and (7) any accounting questions relating to particular areas of the T. Rowe Price Funds' operations, accounting service provider performance, or the operations of parties dealing with the T. Rowe Price Funds, as circumstances indicate. The Joint Audit Committee also reviews the risk management program of the funds' investment adviser and valuation-related materials and reports provide by the funds' valuation designee. The Joint Audit Committee met four times in 2023.

The Joint Executive Committee, which consists of each fund's interested directors, has been authorized by the Boards to exercise all powers of the Boards in the intervals between regular meetings of the Boards, except for those powers prohibited by statute from being delegated. All actions of the Joint Executive Committee must be approved in advance by the independent chair of the Board (and if the independent chair is unavailable, consult an independent director of the Board) and reviewed after the fact by the full Board. The Joint Executive Committee does not hold regularly scheduled meetings. The Joint Executive Committee was not called upon to take action on behalf of the funds during 2023.

From time to time, the independent directors may create a special committee (Qncag_j Amk k grrcc) or an ad hoc working

Rcpcq_ @pwac @_xc k mpc has over 25 years of experience as a senior executive in the mortgage banking field, including building both mortgage insurance and services businesses. Ms. Bazemore currently serves as president and chief executive officer of EQR from October 2007 to September 2018. Mr. Parrell was senior vice president and treasurer of EQR from August 2005 to October 2007, and has held various positions within the EQR finance group since September 1999. He served as director of Brookdale Senior Living Inc., a leading operator of senior living communities throughout the United States, from April 2015 to July 2017, and served as a director of Aviv REIT, Inc., a real estate investment trust, from March 2013 until April 2015, when it merged with Omega Healthcare. Mr. Parrell has served on the Board of Directors of the Real Estate Roundtable since July 2021, and the Executive Board of the National Association of Real Estate Investment Trusts (L_pcgr) since November 2021. Mr. Parrell also currently serves as the Treasurer of Nareit, is a member of the Nareit Dividends Through Diversity, Equity & Inclusion CEO Council, and was chair of the Nareit 2021 Audit and Investment Committee. He is a member of the Advisory Board for the Ross Business School at University of Michigan, and is a member of the National Multifamily Housing Council and served as the chair of the Finance Committee in 2015 to 2016. Mr. Parrell also has served on the Board of Directors and has been chair of the Finance Committee of the Greater Chicago Food Depository since July 2017, and is a member of the Economic Club of Chicago. Mr. Parrell received a B.B.A. from the University of Michigan and a J.D. from the Georgetown University Law Center. Mr. Parrell served as a member of the Board's Advisory Committee from January 1, 2023 until July 24, 2023, at which point he was elected as an independent director of all Price Funds.

B_tgb Mcqrpcgafcp has served as an interested director of all Price Funds since July 2018. He is the general counsel for T. Rowe Price Group, Inc. and a member of the firm's management committee. Mr. Oestreicher serves as a member of the Board of Governors for the Investment Company Institute (ICI), and previously served as the chair of the ICI's international committee. He is on the Mutual Insurance Company Board of Governors, where he serves as a member of its executive committee and chair of its risk management committee. He also served on the board of the Investment Adviser Association and previously served as the chair of its legal and regulatory committee. Before joining T. Rowe Price in 1997, Glbcnclbclr Bgpcarmpq&-'

L_kc* Wc_p md @gprf* _lb Lsk`cp md Nmprdmjgmq gl Dslb Amknjcv Mtcpqccl `w Bgpcarmp	Npglagn_j Maasn_rgml&q' Bspgle N_qr Dgtc Wc_pq	Bgpcarmpqfgnq md Ns`jga Amkn_lgcq _lb Mrfcp Gltcqrkclr Amkn_lgcq Bspgle N_qr Dgtc Wc_pq
Rcpcq_ @pwac @_xckmpc /737 /70 nmprdmjgmq	Npcqgbclr _lb Afgcd Cvcasrgtc Mddgacp* Dcbcp_j Fmkc Jm_l @_li md Q_l Dp_lagqam &0.0/ rm npcqclr' _lb bgpcarmp md rfc DFJ@_li Mddgac md Dgl_lac9 Afgcd Cvcasrgtc Mddgacp* @_xckmpc Amlqsjrgle JJA &0./6 rm 0.0/'	Afgkcp_ Gltcqrkclr Ampnmp_rgml &0./5 rm 0.0/'9 Dgpqr Glbsqrpg_j Pc_jrw Rpsqr &0.0. rm npcqclr'9 Dcbcp_j Fmkc Jm_l @_li md Ngrrq`spef &0./5 rm 0./7'
Kcjmbw @g_lafcrrm /744 /70 nmprdmjgmq	Tgac Npcqgbclr dmp Dgl_lac* Slgtcpqgrw md Tgpeglg_ &0./3 rm 0.01'	Lmlc
@psac U, Bsla_l /73/ /70 nmprdmjgmq	Npcqgbclr* Afgcd Cvcasrgtc Mddgacp* _lb Bgpcarmp* AwpsqMlc* Gla, &0.0. rm 0.0/'9 Af_gp md rfc @m_pb &0./4 rm 0.0.'* _lb Npcqgbclr &0..7 rm 0./4'* Dgpqr Glbsqrpg_j Pc_jrw Rpsqr* mulcp _lb mncp_rmp md glbsqrpg_j npmncprgcq9 Kck`cp* Gltcqrkclr Amkn_lw Glqrgrsrc @m_pb md Emtcplmpq &0./5 rm 0./7'9 Kck`cp* Glbcnclbclr Bgpcarmpq Amslagj Emtcplglе @m_pb &0./5 rm 0./7'9 Qclgmp ?btgqmp* IIP &0./6 rm 0.00'	AwpsqMlc* Gla, &0.0. rm 0.0/'9 Dgpqr Glbsqrpg_j Pc_jrw Rpsqr &0./4 rm 0.0.'9 @mqrml Npmncprgcq &0./4 rm npcqclr'9 K_ppgmrr Glrcpl_rgml_j* Gla, &0./4 rm 0.0.'
Pm`cpr H, Ecpp_pb* Hp, /730 /70 nmprdmjgmq	Af_gp md rfc @m_pb* _jjdslbq &Hsjw 0./6 rm npcqclr'	Lmlc
N_sj D, Ka@pgbc /734 /70 nmprdmjgmq	?btgqmpw @m_pb kck`cp* Tgxxg_ Rcaflmjmegcq &0./3 rm npcqclr'9 @m_pb Kck`cp* Bsl`_p ?pkmpcb &0./0 rm 0./6'	Lmlc
K_pi H, N_ppcjj /744 /70 nmprdmjgmq	Kck`cp md rfc @m_pb md Rpsqrccq* Afgcd Cvcasrgtc Mddgacp &0./7 rm npcqclr' _lb Npcqgbclr* COP &0./6 rm npcqclr'9 Cvcasrgtc Tgac Npcqgbclr _lb Afgcd Dgl_lag_j Mddgacp* COP &0..5 rm 0./6'9 Qclgmp Tgac Npcqgbclr _lb Rpc_qspcp* COP &0..3 rm 0..5'9 Kck`cp* L_pcgr Bgtgbclbq Rfpmsef Bgtcpqgrw* Cosgrw $ Glajsqgml ACM Amslagj* Rpc_qspcp md L_pcgr &0.01'* _lb Af_gp* L_pcgr 0.0/ ?sbgr _lb Gltcqrkclr Amk kgrrcc &0.0/'9 ?btgqmpw @m_pb* Pmqq @sqglcqq Qafmmj _r Slgtcpqgrw md Kgafge_l &0./3 rm 0./4'9 Kck`cp* L_rgml_j Ksjrgd_kgjw Fmsqgle Amslagj _lb qcptcb _q rfc Af_gp md rfc Dgl_lac Amk kgrrcc* &0./3 rm 0./4'9 Kck`cp md rfc Camlmkga Ajs` md Afga_em	COP &0./7 rm npcqclr'9 @pmmib_jc Qclgmp Jgtgle Gla, &0./3 rm 0./5'9 ?tgt PCGR* Gla, &0./1 rm 0./3'9 Pc_j Cqr_rc Pmslbr_`jc _lb rfc 0.00 Cvcasrgtc @m_pb L_pcgr9 @m_pb md Bgpcarmpq _lb gq Af_gp md rfc Dgl_lac Amk kgrrcc md rfc Epc_rcp Afga_em Dmmb Bcnmqgrmpw
Icjjwc J, U_jicp /744 /70 nmprdmjgmq	Qclgmp Tgac Npcqgbclr* Afgcd Jce_j Mddgacp _lb Umpjbugbc Ns`jga ?ddgpq* Bccpc $ Amkn_lw &?npgj 0.02 rm npcqclr'9 Cvcasrgtc Tgac Npcqgbclr _lb Afgcd Jce_j Mddgacp* C_qrk_l Afckga_j Amkn_lw &?npgj 0.0. rm ?npgj 0.02'9 Cvcasrgtc Tgac Npcqgbclr _lb Afgcd Jce_j Mddgacp* Fslrglerml Glе_jjq Glbsqrpgcq* Gla, &H_ls_pw 0./3 rm K_paf 0.0.'	Jglamjl Cjcarpga Amkn_lw &Marm`cp 0.0. rm npcqclr'

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The following persons are considered interested directors of the funds because they also serve as employees of T. Rowe Price or its affiliates. No more than two interested directors serve as directors of any fund.

The Boards invite nominations from the funds' investment adviser for persons to serve as interested directors, and the Board reviews and approves these nominations. Each of the current interested directors is a senior executive officer of T. Rowe Price and T. Rowe Price Group, Inc., as well as certain of their affiliates. David Oestreicher has served as an interested director of all Price Funds since July 2018. Eric L. Veiel has served as an interested director of all Price Funds since February 2022. For each fund, the two interested directors serve as members of the fund's Executive Committee. In addition, specific experience with respect to the interested directors' principal occupations and any directorships they have held of public companies and other investment companies during the past five years are set forth in the following table.

L_kc* Wc_p md @gprf* _lb Lsk`cp md Nmprdmjgmq gl Ds lb Amknjcv Mtcpqccl `w Bgpcarmp	Npgl agn_j Maasn_rgml&q' Bspgle N_qr Dgtc Wc_pq	Bgpcarmpqfgnq md Ns`jga Amkn_lgcq _lb Mrfcp Gltcqrkclr Amkn_lgcq Bspgle N_qr Dgtc Wc_pq
B_tgb Mcqrpcgafcp /745 /70 nmprdmjgmq	Bgpcarmp* Tgac Npcqgbclr* _lb Qcapcr_pw* R, Pmuc Npgac* R, Pmuc Npgac Gltcqrkclr Qcptgacq* Gla,* R, Pmuc Npgac Pcrgpckclr Nj_l Qcptgacq* Gla,* _lb R, Pmuc Npgac Qcptgacq* Gla,9 Bgpcarmp _lb Qcapcr_pw* Npgac Gltcqrkclr K_l_eckclr9 Tgac Npcqgbclr _lb Qcapcr_pw* Npgac Glrcpl_rgml_j9 Tgac Npcqgbclr* Npgac ?sqrp_jg_* Npgac Fmle Imle* Npgac H_n_l* _lb Npgac Qgle_nmpc9 Eclcp_j Amslqcj* Tgac Npcqgbclr* _lb Qcapcr_pw* R, Pmuc Npgac Epmsn* Gla,9 Af_gp md rfc @m_pb* Afgcd Cvcasrgtc Mddgacp* Npcqgbclr* _lb Qcapcr_pw* R, Pmuc Npgac Rpsqr Amkn_lw Npgl agn_j Cvcasrgtc Mddgacp _lb Cvcasrgtc Tgac Npcqgbclr* _jj ds lbq	Lmlc
Cpga J, Tcgcj* AD? /750 /70 nmprdmjgmq	Bgpcarmp _lb Tgac Npcqgbclr* R, Pmuc Npgac9 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla, _lb R, Pmuc Npgac Rpsqr Amkn_lw	Lmlc

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The directors serve until retirement, resignation, or election of a successor. The following table shows the year from which each director has served on each fund's Board (or that of the corporation of which the fund is a series of).

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		@_xckmpc	@g_lafcrrm	Bsla_l '	Ecpp_pb	@gs	~ mtcngc

Dslb	L_kc	Nmqgrgml Fcjb Ugrf Dslb
Dgvcb Glamkc Qcpgcq	Kgaf_cj D, Pcgl_prx	Npcqgbclr
Jgkgrcb-Rcpk @mlb Nmprdmjgm	Qfgs R_i &Qfcjbml' Af_l	Tgac Npcqgbclr
	H_qml R, Amjjglq	Tgac Npcqgbclr
	Jctclr Bckgpcijcp	Tgac Npcqgbclr
	Af_pjcq @, Fgjj	Tgac Npcqgbclr
	Qrctcl K, Imfjclqrcgl	Tgac Npcqgbclr
	Afcpwj ?, Kgaicj	Tgac Npcqgbclr
	?jcv_lbcp Q, M`_x_	Tgac Npcqgbclr
	Kgaf_cj I, Qcucjj	Tgac Npcqgbclr
	Afcl Qf_m	Tgac Npcqgbclr
	&Dmp pck_glgle mddgacpq* pcdcp rm rfc §?jj dslbqµ r_`jc'	
Glrcpl_rgml_j Qcpgcq	H ṣ ע ! ط ώ U	

L_kc* Wc_p mdl @gprf* _lb Npglagn_j Maasn_rgml&q' Bspgle N_qr Dgtc Wc_pq	Nmqgrgml&q' Fcjb Ugrf Dslb&q'
Pgaf_pb L, Aj_rrcl`spe* AD?* /757 Tgac Npcqgbclr* Npgac Qgle_nmpc* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* Npgac Glrcpl_rgml_j* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Cvcasrgtc Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
H_qml R, Amjjglq* AD?* /75/ Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Jctclr Bckgpcijcp* AD?* /752 Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
?j_l Q, Bsnqig* AN?* /760 Tgac Npcqgbclr* Npgac Gltcqrkclr K_l_eckclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Npgl agn_j Dgl_lag_j Mddgacp* Tgac Npcqgbclr* _lb Rpc_qspcp* _jj dslbq
E_pw H, Epc`* /74/ Tgac Npcqgbclr* Npgac Gltcqrkclr K_l_eckclr* R, Pmuc Npgac* Npgac Glrcpl_rgml_j* _lb R, Pmuc Rpsqr Amkn_lw	Tgac Npcqgbclr* _jj dslbq
N_sj Epcclc GG* /756 Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Afcpwj F_knrml* AN?* /747 Tgac Npcqgbclr* R, Pmuc Npgac9 dmpkcpjw R_v Bgpcarmp* Gltcqam Jrb, &rm 0.0/'9 Tgac Npcqgbclr* Mnnclfcgkcp Dslbq* Gla, &rm 0./7'	Tgac Npcqgbclr* _jj dslbq
Af_pjcq @, Fgjj* AD?* /74/ Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Qrcnfml H_aiqml* AD?*/740 Tgac Npcqgbclr* R, Pmuc Npgac	Am+Npcqgbclr* Cosgrw Qcpgcq
H_g l_n_bg_* /760 Tgac Npcqgbclr* Npgac Fmle Imle _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
@clh_kgl Icpqqc* AN?* /767 Tgac Npcqgbclr* R, Pmuc Npgac	Tgac Npcqgbclr* _jj dslbq
Qrctcl K, Imfjclqrcgl* AD?* /765 Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
N_sj H, Ipse* AN?* /742 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Tgac Npcqgbclr* _jj dslbq
Hmfl B, Jglcf_l* AD?* /743 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Afcpwj ?, Kgaicj* AD?* /745 Bgpcarmp _lb Tgac Npcqgbclr* R, Pmuc Npgac Rpsqr Amkn_lw9 Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Npcqgbclr* Dgvcb Glamkc Qcpgcq
Rm`g_q D_`g_l Kscjjcp* AD?* /76. Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla, _lb R, Pmuc Npgac Glrcpl_rgml_j	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
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?jcv_lbcp Q, M`_x_* /76/ Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Mjsu_qcsl Mwcslc* AD?* /762 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla, _lb Npgac Glrcpl_rgml_j	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
Dp_l K, Nmjj_ai+K_rx* /74/ Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* R, Pmuc Npgac Gltcqrkclr Qcptgacq* Gla,* _lb R, Pmuc Npgac Qcptgacq* Gla,	Tgac Npcqgbclr _lb Qcapcr_pw* _jj dslbq
Qf_llml Fmdfcp P_sqcp* /765 ?qqgqr_lr Tgac Npcqgbclr* R, Pmuc Npgac	?qqgqr_lr Qcapcr_pw* _jj dslbq
Kgaf_cj D, Pcgl_prx* AD?* /751 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Cvcasrgtc Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Hmfl Pmujcq* /77. Tgac Npcqgbclr* R, Pmuc Npgac Epmsn	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq

L_kc* Wc_p md @gprf* _lb Npglagn_j Maasn_rgml&q' Bspgle N_qr Dgtc Wc_pq	Nmqgrgml&q' Fcjb Ugrf Ds lb&q'
Qc`_qrg_l Qafpmrr* /755 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla, _lb R, Pmuc Npgac Glrcpl_rgml_j	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
Pgaf_pb Qcllcrr* AN?* /75. Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	?qqgqr_lr Rpc_qspcp* _jj ds lbq
Afcl Qf_m* /76. Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Kgaf_cj l, Qcucjj* /760 Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Af_pjcq K, Qfpgtcp* AD?* /745 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* Npgac Glrcpl_rgml_j* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Lcgj Qkgrf* /750 Tgac Npcqgbclr* Npgac Fmle Imle* Npgac H_n_l* Npgac Qgle_nmpc* R, Pmuc Npgac Epmsn* Gla,* _lb Npgac Glrcpl_rgml_j	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Rm`w K, Rfmknqml* A?G?* AD?* /75/ Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* Npgac Glrcpl_rgml_j* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Hsqrgl Rfmkqml* /746 Bgpcarmp* Npgac Fmle Imle9 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla,9 Bgpcarmp _lb Tgac Npcqgbclr* Npgac Glrcpl_rgml_j	Npcqgbclr* Glrcpl_rgml_j Qcpgcq
Hmfl D, U_ick_l* /740 Tgac Npcqgbclr* Npgac Gltcqrkclr K_l_eckclr _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Cosgrw Qcpgcq
Kce_l U_ppcl* /746 MD?A Q_largmlq Amknjg_lac Mddgacp _lb Tgac Npcqgbclr* Npgac Gltcqrkclr K_l_eckclr9 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* R, Pmuc Npgac Pcrgpckclr Nj_l Qcptgacq* Gla,* R, Pmuc Npgac Qcptgacq* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Tgac Npcqgbclr* _jj ds lbq
Hsqrgl N, Ufgrc* /76/ Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Cplcqr A, Wcsle* AD?* /757 Bgpcarmp _lb Tgac Npcqgbclr* Npgac Fmle Imle9 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq

Bgpcarmpq% Amkncl q_rgml

Effective January 1, 2024, each independent director is paid $395,000 annually for his or her service on the Boards. Prior to July 24, 2023, the Board had an Advisory Board that consisted of Ms. Bianchetto and Mr. Parrell. Advisory Board members were paid $375,000 annually for his or her service on the Advisory Board. On July 24, 2023, Ms. Bianchetto and Mr. Parrell were elected as independent directors of the Price Funds. The chair of the Boards, an independent director, receives an additional $180,000 annually for serving in this capacity. An independent director serving on the Joint Audit Committee receives an additional $30,000 annually for his or her service and the chair of the Joint Audit Committee receives an additional $35,000 for his or her service. An independent director serving as a member of a Special Committee of the Independent Directors receives an additional $1,500 per meeting of the Special Committee (currently, no Special Committees have been assigned by the Boards). All of these fees are allocated to each fund on a pro-rata basis based on each fund's net assets relative to the other funds.

The following table shows the total compensation that was received by the independent directors in the calendar year 2023, unless otherwise indicated. The independent directors of the funds do not receive any pension or retirement benefits from the funds or from T. Rowe Price. In addition, the officers and interested directors of the funds do not receive any compensation or benefits from the funds for their service.

Bgpcarmpq	Rmr_j Amkncl q_rgml
@_xckmpc	"207*0..
@g_lafcrrm	13/*03.
Bsla_l	153*...
Ecpp_pb	35.*...
Ka@pgbc	2/1*53.
N_ppcjj	153*...
U_jicp	175*3..

The following table shows the amounts paid by each fund to the independent directors based on accrued compensation for the calendar year 2023:

Dslb	@_xckmpc	@g_lafcrrm	Bsla_l	Ecpp_pb	Ka@pgbc	U_jicp
?jj+A_n Mnnmprslgrgcq Nmprdmjgm	"/71	"/4.	"/47	"035	"/65	"/57
@jsc Afgn Epmurf Nmprdmjgm	637	5/0	530	/*/20	61.	576
CosgrwGlamkc Nmprdmjgm	132	065	1.7	25.	12/	106
Fc_jrf Qagclacq Nmprdmjgm	131	063	1.6	246	117	104
Glrcpl_rgml_j Qrmai Nmprdmjgm	//7	75	/.1	/35	//2	//.
Jgkgrcb+Rcpk @mlb Nmprdmjgm	67	51	56	//7	64	61
Kgb+A_n Epmurf Nmprdmjgm	03.	0.2	0/6	11/	02.	01/
Kmbcp_rc ?jjma_rgml Nmprdmjgm	62	47	52	//0	6/	56

Bgpcarmpq% Fmjbglecq gl rfc Npgac Dslbq

The following tables set forth the Price Funds holdings of the current independent and interested directors, as of December 31, 2023, unless otherwise indicated.

The Variable Insurance Portfolios are designed as investment options for insurance companies issuing variable annuity or variable life insurance contracts. Variable life insurance may not be suitable for the independent and interested directors.

?eepce_rc Fmjbgleq* ?jj Npgac Dslbq	Glbcnclbclr Bgpcarmpq						
	@_xckmpc	@g_lafcrrm	Bsla_l	Ecpp_pb	Ka@pgbc	N_ppcjj	U_jicp
	Mtcp "/..*...	"3.*../+ "/..*...	Mtcp "/..*...	Mtcp "/..*...	Mtcp "/..*...	Mtcp "/..*...	Mtcp "/..*...
?jj+A_n Mnnmprslgrgcq Nmprdmjgm	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
@jsc Afgn Epmurf Nmprdmjgm	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
@jsc Afgn Epmurf NmprdmjgmÇGG	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
CosgrwGlamkc Nmprdmjgm	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
CosgrwGlamkc NmprdmjgmÇGG	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
Fc_jrf Qagclacq Nmprdmjgm	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
Fc_jrf Qagclacq NmprdmjgmÇGG	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
Glrcpl_rgml_j Qrmai Nmprdmjgm	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
Jgkgrcb+Rcpk @mlb Nmprdmjgm	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
Jgkgrcb+Rcpk @mlb NmprdmjgmÇGG	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
Kgb+A_n Epmurf Nmprdmjgm	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
Kgb+A_n Epmurf NmprdmjgmÇGG	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc
Kmbcp_rc ?jjma_rgml Nmprdmjgm	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc	Lmlc

?eepce_rc Fmjbgleq* ?jj Npgac Dslbq	Glrcpcqrcb Bgpcarmpq	
	Mcqrpcgafcp	Tcgcj
	Mtcp "/..*...	Mtcp "/..*...
?jj+A_n Mnnmprslgrgcq Nmprdmjgm	Lmlc	Lmlc
@jsc Afgn Epmurf Nmprdmjgm	Lmlc	Lmlc
@jsc Afgn Epmurf NmprdmjgmÇGG	Lmlc	Lmlc
Cosgrw Glamkc Nmprdmjgm	Lmlc	Lmlc
Cosgrw Glamkc NmprdmjgmÇGG	Lmlc	Lmlc
Fc_jrf Qagclacq Nmprdmjgm	Lmlc	Lmlc
Fc_jrf Qagclacq NmprdmjgmÇGG	Lmlc	Lmlc
Glrcpl_rgml_j Qrmai Nmprdmjgm	Lmlc	Lmlc
Jgkgrcb+Rcpk @mlb Nmprdmjgm	Lmlc	Lmlc
Jgkgrcb+Rcpk @mlb NmprdmjgmÇGG	Lmlc	Lmlc
Kgb+A_n Epmurf Nmprdmjgm	Lmlc	Lmlc
Kgb+A_n Epmurf NmprdmjgmÇGG	Lmlc	Lmlc
Kmbcp_rc ?jjma_rgml Nmprdmjgm	Lmlc	Lmlc

Nmprdmjgm K_l_ecpq% Fmjbgleq gl rfc Npgac Dslbq

The following table sets forth the dollar range of equity securities beneficially owned by each Variable Insurance Portfolio's portfolio manager as of the most recently completed fiscal year-end, unless otherwise indicated. The Variable Insurance Portfolios are designed as investment options for insurance companies issuing variable annuity or variable life insurance contracts. Variable life insurance contracts may not be suitable investments for these portfolio managers.

The portfolio manager has day-to-day responsibility for managing the fund and executing the fund's investment program. Holdings in the investment strategy include investments in the applicable Price Fund, as well as all investment portfolios that are managed by the same portfolio manager and have investment objectives, policies, and strategies that are substantially similar to those of the fund. Substantially similar portfolios may include other Price Funds (such as

policies, practices, and other relevant investment considerations that they believe are applicable to that portfolio. Consequently, portfolio managers may purchase (or sell) securities for one portfolio and not another portfolio. T. Rowe Price and its affiliates have adopted brokerage and trade allocation policies and procedures that they believe are reasonably designed to address any potential conflicts associated with managing multiple accounts. Investments made by a fund and the results achieved by a fund at any given time are not expected to be the same as those made by other funds for which T. Rowe Price acts as investment adviser, including funds with names, investment objectives and policies, and/or portfolio management teams, similar to a fund. This may be attributable to a wide variety of factors, including, but not limited to, large shareholder purchases or redemptions or specific investment restrictions. Please see the “Portfolio Transactions” section of this SAI for more information about our brokerage and trade allocation policies. Also, as disclosed under the “Portfolio Manager Compensation” section, the portfolio managers’ compensation is determined in the same manner with respect to all portfolios managed by the portfolio manager.

The Price Funds may, from time to time, own shares of Morningstar, Inc. Morningstar is a provider of investment research to individual and institutional investors, and publishes ratings on funds, including the Price Funds. T. Rowe Price acts as subadviser to two mutual funds offered by Morningstar. T. Rowe Price and its affiliates pay Morningstar for a variety of products and services. Morningstar may provide investment consulting and investment management services to clients of T. Rowe Price or its affiliates. The Price Funds may generally not purchase shares of stock issued by T. Rowe Price Group, Inc. However, a T. Rowe Price Index Fund is permitted to make such purchases to the extent T. Rowe Price Group, Inc. is represented in the benchmark index the fund is designed to track.

Additional potential conflicts may be inherent in our use of multiple strategies. For example, conflicts will arise in cases where different clients invest in different parts of an issuer’s capital structure, including circumstances in which one or more clients may own private securities or obligations of an issuer and other clients may own or seek to acquire securities of the same issuer. For example, a client may acquire a loan, loan participation or a loan assignment of a particular borrower in which one or more other clients have an equity investment or may invest in senior debt obligations of an issuer for one client and junior debt obligations or equity of the same issuer for another client. Similarly, if an issuer in which a client and one or more other clients directly or indirectly hold different classes of securities (or other assets, instruments or obligations issued by such issuer or underlying investments of such issuer) encounters financial problems, is involved in a merger or acquisition or a going private transaction, decisions over the terms of any workout or transaction will raise conflicts of interests. While it is appropriate for different clients to hold investments in different parts of the same issuer’s capital structure under normal circumstances, the interests of stockholders and debt holders may conflict, as the securities they hold will likely have different voting rights, dividend or repay ʝ ᴰ oof su transaction,] ȳ א ɔ /

rights, provide advice or engage in other activities, or refrain from pursuing rights, providing advice or engaging in other activities, on behalf of themselves or one or more clients other than the Price Funds with respect to an issuer in which a Price Fund has invested, and such actions (or refraining from action) may have a material adverse effect on such Price Fund. In addition, as a result of regulatory requirements or otherwise, in situations in which T. Rowe Price clients (including the Price Funds) hold positions in multiple parts of the capital structure of an issuer, T. Rowe Price or its affiliates may not pursue certain actions that may otherwise be available. T. Rowe Price and its affiliates address these and other potential conflicts of interest based on the facts and circumstances of particular situations. For example, T. Rowe Price may determine to rely on one or more information barriers between different advisers, business units, or portfolio management teams, or to rely on the actions of similarly situated holders of loans or securities rather than, or in connection with, taking such actions itself on behalf of a client. In these situations, investment personnel are mindful of potentially conflicting interests of our clients with investments in different parts of an issuer's capital structure and seek to take appropriate measures to ensure that the interests of all clients are fairly represented. As a result of the various conflicts and related issues described in this paragraph, a Price Fund could sustain losses during periods in which T. Rowe Price or its affiliates and other clients of T. Rowe Price or its affiliates achieve profits generally or with respect to particular holdings, or could achieve lower profits or higher losses than would have been the case ha ! I' ha ! ȳ ᴮ t ȳ ̦ я an w

DSLB	QF?PCFMJBCP	#
?JJ+A?N MNNMPRSLGRGCQ NMPRDMJGM	KMBCPL UMMBKCL MD ?KCPGA? ?RRL KSRS?J DSLBQ ?AARE 36. / QU 4RF ?TC RMNCI? IQ 44414+. . . /	/3,13
	L?RGMLUGBC GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE N M @MV /60.07 AMJSK@SQ MF 210/6+0.07	/1,.0
	L?RGMLUGBC JGDC GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE	04,16&_'
	N?P?EML JGDC GLQSP?LAC AM /60/. AP?LC LCQR BP R?KN? DJ 11425+0526	3,36
	QCASPGRW @CLCDGR JGDC GLQ AM D@M R PMUC NPGAC LM JM?B T ? ?RRL K?P I WMSLE 5. . QU F?PPGQML QR RMNCI? IQ 44414+. . . /	/1,36

DSLB	QF?PCFMJBCP	#
@JSC AFN EPMURF NMPRDMJM	CKNMUCP ?LLSRW LQSP?LAC	5,6.

AMKN?LW MD ?KCPA?
AJCLR NJ?LQ
EPC?R UCQR JDC $?LLSRW LQ AM
63/3 C MPAF?PB PB
CLEJCUMMB AM 6. / / / 3. . 0

KB @ -

DSLB	QF?PCFMJBCP	#
@JSC AFgN EPMURF NMPRDMJgMÇgg	?KCPgR?Q JgDC gLQSP?LAC AMPN ?KCPgR?Q T?Pg?@JC QCN ?AAR ?RRL T?Pg?@JC RP?BCQ 37. . M QR JgLAMJL LC 463/ .+0012	5,.1
	HCDDCPQML L?RgML?J JgDC gLQ AM A-M gNM NMPRDMJgM ?AAMSLRgLE NM @MV /60.07 AMJSK@SQ MF 210/6+0.07	/3,42
	KgBJ?LB L?RgML?J JgDC gLQSP?LAC AM 61. . KgJJQ AgTgA N I UW UCQR BCQ KMgLCQ g? 3.044+1611	/ .,4/
	L?RgMLUgBC JgDC gLQSP?LAC AMKN?LW A-M gNM NMPRDMJgM ?AAMSLRgLE	5,25
	N?AgDgA QCJCAR CVCA QCN?P?RC ?AAMSLR MD N?AgDgA JgDC ?RRL8 T?Pg?@JC NPMBSARQ ?AAMSLRgLE 5. . LCUNMPR ACLRCP BP LCUNMPR @C?AF A? 7044.+41.5	04,60&_'
	NPMRCARgTC JgDC gLQSP?LAC AMKN?LW NM @MV 04.4 @gPKgLEF?K ?J 130.0+04.4	3,22

DSLB	QF?PCFMJBCP	#
COSGRW GLAMKC NMPRDMJGM	?KCPGA?L SLGRCB JGDC ?KCPGA?L SLGR RPSQR ?RRL QCN?P?RC ?AAMSLRQ NM @MV 146 GLBG?L?NMJGQ GL 240.4+.146	4,4.
	?KCPGA?L SLGRCB JGDC QCN?P?RC ?AAMSLR GG ?RRL QCN?P?RC ?AAMSLRQ	5,26
	JGLAMJL @CLCDGR JGDC AM JGLAMJL @CLCDGR T?PG?@JC JGDC NM @MV 720/. N?J?RGLC GJ 4..72+20/.	5,50
	K?QQ KSRS?J JGDC GLQ AM ?RRL DSLB MNCP?RGMLQ /073 QR?RC QR KGN A/.3 QNPGLEDGCJB K? .////+.../	3,2.
	NPSAM JGDC GLQSP?LAC AMKN?LW DJCVG@JC NPCKGSK T?PG?@JC ?LLSGRW ?AAMSLR ?RRL QCN?P?RC ?AARQ 0/1 U?QFGLERML QR DJ 5 LCU?PI LH .5/.0+07/5	7,.5
	QCASPGRW @CLCDGR JGDC GLQ AM D@M R PMUC NPGAC LM JM?B T ? ?RRL K?PI WMSLE	/4,46

DSLB	QF?PCFMJBCP	#
JǴKǴRCB+RCPK @MLB NMPRDMJǴMÇǴǴ	HCDDCPQML L?RǴML?J JǴDC ǴLQ AM A-M ǴNM NMPRDMJǴM ?AAMSLRǴLE	74,56&_'
KǴB+A?N EPMURF NMPRDMJǴM	A K JǴDC ǴLQSP?LAC AM ?RRL DSLB MNCP?RǴMLQ /073 QR?RC QR QNPǴLEDǴCJB K? . / / / /+. . . /	/0,37
	D?PK @SPC?S JǴDC ǴLQ AM ?RRL KSRS?J DSLB ?AAMSLRǴLE	3,3.
	K K J @?WQR?RC JǴDC ǴLQ AM ?RRL PQ DSLB MNCP?RǴMLQ /073 QR?RC QR ! A/ .3 QNPǴLEDǴCJB K? . / / / /+. . . /	7,62
	K?QQ KSRS?J JǴDC ǴLQ AM ?RRL DSLB MNCP?RǴMLQ	/0,70
	KMBCPL UMMBKCL MD ?KCPǴA? ?RRL KSRS?J DSLBQ ?AARE	0.,2/
	QCASPǴRW @CLCDǴR JǴDC ǴLQ AM D@M R PMUC NPǴAC LM JM?B T ? ?RRL K?P I WMSLE	/2,21
	RP?LQ?KCPǴA? JǴDC ǴLQSP?LAC AM CK NPǴT?RC NJ?ACKCLR ?BT?LR?EC T	3,11
KǴB+A?N EPMURF NMPRDMJǴMÇǴǴ	JǴLAMJL L?RǴML?J JǴDC ǴLQ AM ?RRL A?KKǴC I JǴLC /1. . Q AJǴLRML QR DMPR U?WLC ǴL 246.0+13.4	5,.5
	L?RǴML) Ä Ŀ ò	

DSLB	QF?PCFMJBCP	#
KMBCP?RC ?JJMA?RGML NMPRDMJGM	?KCPGA?L L?RGML?J EPMSN SL?JJMA?RCB T? AMPN ?RRL HMFL @SPAFCRR 6RF DJMMP AMLRPMJJCPQ BCNR MLC KMMBW NJ?X? E?JTCQRML RV 5533.+5725	3,1.
	D?PK @SPC?S JGDC GLQ AM ?RRL KSRS?J DSLB ?AAMSLRGLE	7,2.
	KMBCPL UMMBKCL MD ?KCPGA? ?RRL NPMBSAR T?JS?RGML	0/,02
	N?P?EML JGDC GLQSP?LAC AM	/0,/5
	NPMRCARGTC JGDC GLQSP?LAC AMKN?LW	3,72
	QCASPGRW @CLCDGR JGDC GLQ AM D@M R PMUC NPGAC LM JM?B T ? ?RRL K?P I WMSLE	/5,.0

&_' ?r rfc jctcj md mu lcpqfgn glbga_rcb* rfc qf_pcfmjbcp k_w `c _`jc rm bcrcpkglc rfc msrampkc md _lw k_rrcpq rf_r _pc qs` kgrrcb rm qf_pcfmjbcpq dmp tmrc,

INVESTMENT ADVISER AND INVESTMENT MANAGEMENT AGREEMENTS

T. Rowe Price is the investment adviser for all of the Price Funds and has executed an Investment Management Agreement with each fund.

For certain Price Funds, T. Rowe Price has entered into an investment sub-advisory agreement with Price Investment Management, Price International, Price Australia, Price Hong Kong, Price Japan, and/or Price Singapore. T. Rowe Price, Price Investment Management, Price International, Price Australia, Price Hong Kong, Price Japan, and Price Singapore are hereinafter referred to collectively as “Npgac ?btgqcpq.” T. Rowe Price is a wholly owned subsidiary of T. Rowe Price Group, Inc. Price Investment Management and Price International are wholly owned subsidiaries of T. Rowe Price. Price Australia, Price Hong Kong, Price Japan, and Price Singapore are wholly owned subsidiaries of Price International.

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Under the Investment Management Agreements for each fund, T. Rowe Price is responsible for supervising and overseeing investments of the funds in accordance with the funds’ investment objectives, programs, and restrictions as provided in the funds’ prospectuses and this SAI. In addition, T. Rowe Price provides the funds with certain corporate administrative services, including maintaining the funds’ corporate existence and corporate records; registering and qualifying fund shares under federal laws; monitoring the financial, accounting, and administrative functions of the funds; maintaining liaison with the agents employed by the funds such as the funds’ custodians, fund accounting vendor, and transfer agent; assisting the funds in the coordination of such agents’ activities; and permitting employees of the Price Advisers to serve as officers, directors, and committee members of the funds without cost to the funds. For those Price Funds for which T. Rowe Price has not entered into a subadvisory agreement, T. Rowe Price is responsible for making discretionary investment decisions on behalf of the funds and is generally responsible for effecting security transactions, including the negotiation of commissions and the allocation of s negotiati ca trade securities or delegate the trading of securities and make discretionary investment decisions with respect to all or a portion of each fund's portfolio. Under the subadvisory agreement, each Price Adviser is responsible for effecting all or a portion of the securities transactions on behalf of the funds, including the negotiation of commissions and the allocation of principal business and portfolio brokerage.

Npgac ?btgqcp	Ds l b
Npgac Gl tcqrkclr K_l_eckclr	Kgb+A_n Epmurf Nmprdmjgm Kmbcp_rc ?jjma_rgml Nmprdmjgm
Npgac Gl rcpl_rgml_j	Jgkgrcb+Rcpk @mlb Nmprdmjgm Kmbcp_rc ?jjma_rgml Nmprdmjgm
Npgac Fmle Imle	Jgkgrcb+Rcpk @mlb Nmprdmjgm Kmbcp_rc ?jjma_rgml Nmprdmjgm

The Price Advisers have controls to generally prevent the sharing of information between Price Investment Management and the other Price Advisers related to portfolio management, such as investment decisions, investment research, trading and proxy voting decisions. Thus, Price Investment Management generally makes independent portfolio management decisions from and does not coordinate trading activities with the other Price Advisers.

The Investment Management Agreements also provide that T. Rowe Price, and its directors, officers, employees, and certain other persons performing specific functions for the funds, will be liable to the funds only for losses resulting from willful misfeasance, bad faith, gross negligence, or reckless disregard of duty. The subadvisory agreements have a similar provision limiting the liability of the investment subadviser for errors, mistakes, and losses other than those caused by its willful misfeasance, bad faith, or gross negligence.

Under the Investment Management Agreements (and subadvisory agreements, if applicable), the Price Advisers are permitted to utilize the services or facilities of others to provide them or the funds with statistical and other factual information; advice regarding economic factors and trends; advice as to occasional transactions in specific securities; and such other information, advice, or assistance as the Price Advisers may deem necessary, appropriate, or convenient for the discharge of their obligations under the Investment Management Agreements (and subadvisory agreements, if applicable) or otherwise helpful to the funds.

AmIrpmj md Gltcqrkclr ?btgqcp

T. Rowe Price Group, Inc. (Epmsn), is a publicly owned company and owns 100% of the stock of T. Rowe Price, which in turn owns 100% each of Price Investment Management and Price International. Price International in turn owns 100% each of Price Australia, Price Hong Kong, Price Japan, and Price Singapore. Group was formed in 2000 as a holding company for the T. Rowe Price-affiliated companies.

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Effective May 1, 2024, the Investment Management Agreement between each fund and T. Rowe Price was amended to modify each fund's existing fee structure from an annual all-inclusive management fee to one that decouples the investment management fee rate from the fund's operating expenses.

Beginning May 1, 2024, the funds pay T. Rowe Price a fee (Dcc), which consists of two components: a group management fee (Epmsn Dcc) and an individual fund fee (Ds l b Dcc). The Fee is paid monthly to T. Rowe Price and is calculated as described below.

The monthly Group Fee (Monthly Group Fee) is the sum of the daily Group Fee accruals (Daily Group Fee Accruals) for each month. The Daily Group Fee Accrual for any particular day is computed by multiplying the Price Funds' group fee accrual as determined below (Daily Price Funds' Group Fee Accrual) by the ratio of the Price Funds' net assets for that day to the sum of the aggregate net assets of the Price Funds for that day. The Daily Price Funds' Group Fee Accrual for any particular day is calculated by multiplying the fraction of one over the number of calendar days in the year by the annualized Daily Price Funds' Group Fee Accrual for that day as determined in accordance with the following schedule:

.,26.#	Dgpqr "/ `gjjgml	.,12.#	Lcvr "3 `gjjgml	.,07.#	Lcvr "4. `gjjgml
.,23.#	Lcvr "/ `gjjgml	.,11.#	Lcvr "/. `gjjgml	.,063#	Lcvr "6. `gjjgml
.,20.#	Lcvr "/ `gjjgml	.,10.#	Lcvr "/. `gjjgml	.,06.#	Lcvr "/.. `gjjgml
.,17.#	Lcvr "/ `gjjgml	.,1/.#	Lcvr "/4 `gjjgml	.,053#	Lcvr "/.. `gjjgml

.,15.#	Lcvr "/ `gjjgml	.,1.3#	Lcvr "1. `gjjgml	.,05.#	Lcvr "/3. `gjjgml
.,14.#	Lcvr "0 `gjjgml	.,1..#	Lcvr "2. `gjjgml	.,043#	Lcvr "/73 `gjjgml
.,13.#	Lcvr "0 `gjjgml	.,073#	Lcvr "2. `gjjgml	.,04.#	Rfcpc_drcp

For the purpose of calculating the Group Fee, the Price Funds include all the mutual funds distributed by Investment Services (excluding the Funds-of-Funds, TRP Reserve Funds, Multi-Sector Account Portfolios, any Index, or private-label mutual funds). In addition, any investments by a fund in another Price Fund are excluded from the calculation. For the purpose of calculating the Daily Price Funds' Group Fee Accrual for any particular day, the net assets of each Price Fund are determined in accordance with each fund's prospectus as of the close of business on the previous business day on which the fund was open for business.

The monthly Fund Fee (Monthly Fund Fee) is the sum of the daily Fund Fee accruals (Daily Fund Fee Accruals) for each month. The Daily Fund Fee Accrual for any particular day is computed by multiplying the fraction of one (1) over the number of calendar days in the year by the individual fund fee. The product of this calculation is multiplied by the net assets of the fund for that day, as determined in accordance with the fund's prospectus as of the close of business on the previous business day on which the fund was open for business.

Pursuant to the Investment Management Agreement, as amended, the fund will bear all expenses of its operations that are not specifically assumed by T. Rowe Price. Effective May 1, 2024, each fund has implemented a contractual expense limitation applicable to the fund's (or class') total expense ratio that is expected to remain in place indefinitely. For purposes of applying a fund's expense limitation, the expenses of a fund and its share classes are generally calculated on a monthly basis. If a class is operating above its expense limitation, that month's management fee will be reduced or waived and/or the fund's operating expenses will be paid or reimbursed, with any adjustment made after the end of the year. Fees waived and expenses borne by T. Rowe Price are subject to reimbursement by the fund (or class) through the indicated reimbursement date, provided no reimbursement will be made if it would result in a fund's (or class') expense ratio exceeding the lower of (i) the expense limitation in place at the time of the waiver or payment; or (ii) any applicable expense limitation at the time of the reimbursement.

The individual fund fees and total expense ratio limitations are listed in the following table:

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@jsc Afgn Epmurf Nmprdmjgm	.,1.	.,53
Cosgrw Glamkc Nmprdmjgm	.,04	.,52
Fc_jrf Qagclacq Nmprdmjgm	.,15	.,72
Glrcpl_rgml_j Qrmai Nmprdmjgm	.,15	.,73
Jgkgrcb+Rcpk @mlb Nmprdmjgm	.,./	.,3.
Kgb+A_n Epmurf Nmprdmjgm	.,13	.,62
Kmbcp_rc ?jjma_rgml Nmprdmjgm	.,03	.,63

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Pursuant to each of the subadvisory agreements that T. Rowe Price has entered into on behalf of each fund, T. Rowe Price may pay the investment subadviser up to 60% of the management fee that T. Rowe Price receives from that fund.

Prior to May 1, 2024, each fund paid T. Rowe Price a single annual investment management fee based on the fund's average daily net e w̄ γ /nas net ȥ eceiCei א l' T. da l' bas n ʿ /̀ ǯ Ç its oper l' Nse

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prospects about the Price Funds; placement on an intermediary's list of offered funds or preferred fund list; gaining access to senior management, sales representatives, or wholesalers of an insurance company or other intermediary; and receiving annual distribution and service fees that may be paid by a mutual fund and impose a ceiling on the cumulative distribution fees paid. The plan complies with these rules.

The plan requires that Investment Services provide, or cause to be provided, a quarterly written report identifying the amounts expended by each Class and the purposes for which such expenditures were made to the fund directors for their review.

Prior to approving the plan, the fund directors considered various factors relating to the implementation of the plan and determined that there is a reasonable likelihood that the plan will benefit each fund, its Class, and the Class' shareholders. The fund directors noted that to the extent the plan allows a fund to sell Class shares in markets to which it would not otherwise have access, the plan may result in additional sales of fund shares. This may enable a fund to achieve economies of scale that could reduce expenses. In addition, certain ongoing shareholder services may be provided more effectively by insurance companies, their agents, and contract distributors with which shareholders have an existing relationship.

The plan is renewable from year to year with respect to each fund, as long as its continuance is approved at least annually (1) by the vote of a majority of the fund directors and (2) by a vote of the majority of the funds' independent directors cast

research because of a regulatory prohibition) managed by the Price Advisers. Therefore, research services received from broker-dealers that execute transactions for a particular fund will not necessarily be used by the Price Advisers in connection with the management of that fund. Each of the Price Advisers may take a different approach to paying for research services in consideration of the regulatory regime and local market practice applicable to each Price Adviser.

Consistent with Section 28(e), the external research received from broker-dealers or independent third-party research providers can include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, currency and commodity market analysis, risk measurement analysis, performance analysis, and analysis of corporate, environmental, social and governance responsibility issues. Research services are received in the form of written reports, computer generated data, telephone contacts, investment conferences, financial models and personal meetings with security analysts, market specialists, access to unaffiliated individuals with expertise in various industries, businesses, or other related areas, including use of expert network services which provide access to industry consultants, vendors, and suppliers. The above list is not exhaustive, and the Price Advisers may consume any other external research or research service that falls within the safe harbor provision of Section 28(e). Each Price Adviser pays for fixed income research and services directly from its own resources where feasible or required.

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Each Price Adviser has a policy of not pre-committing a specific amount of business to any broker-dealer over any specific period. Each Price Adviser makes brokerage placement determinations, as appropriate, based on the needs of a specific transaction such as market-making, availability of a buyer for or seller of a particular security, or specialized execution skills. Each Price Adviser may choose to allocate brokerage among several broker-dealers able to meet the needs of the transaction. Allocation of brokerage business is monitored on a regularly scheduled basis by appropriate personnel and the GTC.

Each Price Adviser may have brokerage relationships with broker-dealers that are, or are an affiliate of, clients that have appointed the Price Adviser or an affiliate to serve as investment adviser, trustee, or recordkeeper. Each Price Adviser also has other relationships with or may own positions in the publicly traded securities of the broker-dealers with which they transact with or on behalf of our clients.

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On a continuing basis, the Price Advisers seek to determine what levels of commission rates are reasonable in the marketplace for transactions executed on behalf of funds and other institutional clients. In evaluating the reasonableness of commission rates, the Price Advisers may consider any or all of the following: (a) rates quoted by broker-dealers; (b) the size of a particular transaction, in terms of the number of shares, dollar amount, and number of clients involved; (c) the complexity of a particular transaction in terms of both execution and settlement; (d) the level and type of business conducted with a particular firm over a period of time; (e) the extent to which the broker-dealer has capital at risk in the transaction; (f) historical commission rates; (g) rates paid by other institutional investors based on available public information; and (h) research provided by the broker-dealer.

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Currently, the Price Advisers do not recapture commissions, underwriting discounts, or selling-group concessions for fixed income securities acquired in underwritten offerings. The Price Advisers may, however, designate a portion of the underwriting spread to broker-dealers that participate in the offering.

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Because certain investment vehicles (including the funds) managed by the Price Advisers and other affiliated investment advisers have similar investment objectives and programs, investment decisions may be made that result in the simultaneous purchase or sale of securities. As a result, the demand for, or supply of, securities may increase or decrease, which could have an adverse effect on prices. Aggregation of orders may be a collaborative process between trading and

Purchase and sale transactions may be effected directly among and between non-ERISA client accounts (including affiliated mutual funds), provided no commission is paid to any broker-dealer, the security traded has readily available market quotations, and the transaction is effected at the independent current market price.

The GTC is responsible for developing brokerage policies, monitoring their implementation, and resolving any questions that arise in connection with these policies for the Price Advisers.

The Price Advisers have established a general investment policy that they will ordinarily not make additional purchases of a common stock for their clients (including the funds) if, as a result of such purchases, 10% or more of the outstanding common stock of the issuer would be held by clients in the aggregate. Approval may be given for aggregate ownership up to 20%, and in certain instances, higher amounts. All aggregate ownership decisions are reviewed by the appropriate oversight committee. For purposes of monitoring both of these limits, securities held by clients and clients of affiliated advisers are included.

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The funds' bond investments are generally purchased and sold through principal transactions, meaning that a fund normally purchases bonds directly from the issuer or a primary market-maker acting as principal for the bonds, on a net basis. As a result, there is no explicit brokerage commission paid on these transactions, although purchases of new issues from underwriters of bonds typically include a commission or concession paid by the issuer to the underwriter and purchases from dealers serving as market-makers typically include a dealer's markup (i.e., a spread between the bid and the

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issuers located in or with significant exposure to the countries directly affected, the value and liquidity of a fund's investments may be negatively impacted. Some events may affect certain geographic regions, countries, sectors, and industries more significantly than others and exacerbate other preexisting environmental, political, social, and economic risks. Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could lead to inflation, negatively impact overall investor sentiment and/or further increase volatility in securities markets.

Governments and regulators may take actions that affect the regulation of the funds or the instruments in which the funds invest, or the issuers of such instruments, in ways that are unforeseeable. Future legislation or regulation or other governmental actions could limit or preclude the funds' abilities to achieve their investment objectives or otherwise adversely impact an investment in the funds. Political and diplomatic events within the United States, including a contentious domestic political environment, changes in political party control of one or more branches of the U.S. government, the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan, the threat of a U.S. government shutdown, and disagreements over, or threats not to increase, the U.S. government's borrowing limit (or §bc`r acgjg l eµ), as well as political and diplomatic events abroad, may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. A downgrade of the ratings of U.S. government debt obligations, or concerns about the U.S. government's credit quality in

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An investment in a Price Fund may be negatively impacted because of the operational risks arising from factors such as processing errors and human errors, inadequate or failed internal or external processes, failures in systems and technology, changes in personnel, and errors caused by third-party service providers or trading counterparties. Although the funds attempt to minimize such failures through controls and oversight, it is not possible to identify all of the operational risks that may affect a fund or to develop processes and controls that completely eliminate or mitigate the occurrence of such failures. A fund and its shareholders could be negatively impacted as a result. Processes and controls developed may not eliminate or mitigate the occurrence or effects of all risks, and some risks simply may be beyond any control of the funds, T. Rowe Price and its affiliates, or other service providers.

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Legal, tax, and regulatory changes could occur that may adversely affect investments in which a fund invests. The Price Advisers and the instruments in which a fund invests may be subject to different and sometimes conflicting legislation or regulations. New or changing legislation or regulations may be imposed by the SEC, Commodity Futures Trading Commission (ADRA), U.S. Department of Labor, IRS, U.S. Federal Reserve or other banking regulators, Financial Crimes Enforcement Network, Office of Foreign Assets Control, or other governmental regulatory authorities or self-regulatory organizations that supervise financial markets, including non-U.S. regulatory authorities. Such changes may impact the regulation of instruments in which a fund invests, the issuers of or counterparties to such instruments, or the Price Advisers or the funds themselves. Increasing regulation and the costs of compliance can generally be expected to increase the costs of investing and trading activities.

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Certain shareholders of a fund may from time to time own or control a significant percentage of the fund's shares (J_pec Qf_pcfmjbcpq). Large Shareholders may include, for example, institutional investors, funds of funds, and discretionary advisory clients whose buy-sell decisions are controlled by a single decision-maker. Large Shareholders may sell all or a portion of their shares of a fund at any time or may be required to sell all or a portion of their shares in order to comply with applicable regulatory restrictions (including, but not limited to, restrictions that apply to U.S. banking entities and their affiliates).

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- Eclcp_j Foreign securities include both U.S. dollar-denominated and non-U.S. dollar-denominated securities of foreign issuers. Foreign securities include securities issued by companies that are organized under the laws of countries other than the U.S. as well as securities that are issued or guaranteed by foreign governments or by foreign supranational entities. They also include securities issued by companies whose principal trading market is in a country other than the U.S. and companies that derive a significant portion of their revenue or profits from foreign businesses, investments, or sales or that have a majority of their assets outside the United States. Foreign securities may be traded on foreign securities exchanges or in the foreign over-the-counter (MRA) markets. Foreign securities markets generally are not as developed or efficient as those in the United States.

  Investing in foreign securities, as well as instruments that provide investment exposure to foreign securities and markets, involves risks that are not typically associated with investing in U.S. dollar-denominated securities of domestic issuers. Certain of these risks are inherent in any fund investing in foreign securities, while others relate more to the countries and regions in which the funds may invest. Many of the risks are more pronounced for investments in emerging market countries, such as Russia and many of the countries of Africa, Asia, Eastern Europe, Latin America, and the Middle East. There are no universally accepted criteria used to determine which countries are considered developed markets and which are considered emerging markets. However, the funds rely on the classification made for a particular country by an unaffiliated, third-party data provider.

- Nmjgrga_j* Qmag_j* _lb Camlmkga Pgqiq Foreign investments involve risks unique to the local political, economic, tax, and regulatory structures in place, as well as the potential for so [illegible] resource self-sufficiency, and balance of payments position. In addition, war and terrorism have affected many countries, especially those in Africa and the Middle East. Many countries throughout the world are dependent on a healthy U.S. economy and are adversely affected when the U.S. economy weakens or its markets decline.

NAV. Therefore, the values of a fund's holdings in those markets may be affected on days when shareholders have no access to the fund.

- Bcnmqgr_pw Pcacgnrq It is expected that most foreign securities will be purchased in OTC markets or on securities exchanges located in the countries in which the issuers of the various securities are located, provided that is the best available market. However, the funds may also purchase depositary receipts, such as American Depositary Receipts (?BPq), Global Depositary Receipts (EBPq), and European Depositary Receipts (CBPq), which are certificates evidencing ownership of underlying foreign securities, as alternatives to directly purchasing the foreign securities in their local markets and currencies. An advantage of ADRs, GDRs, and EDRs is that investors do not have to buy shares through the issuing company's home exchange, which may be difficult or expensive. ADRs, GDRs, and EDRs are subject to many of the same risks associated with investing directly in foreign securities.

  Generally, ADRs are denomin] ∃ Ů

Psqqg_%q GIt_qgmI md Sip_gIc In February 2022, Russian military forces invaded Ukraine, significantly amplifying already existing geopolitical tensions among Russia and other countries. Russia's invasion, the responses of countries and political bodies to Russia's actions, and the potential for wider conflict may increase financial market volatility and could have severe adverse effects on regional and global economic markets, including the markets for certain securities and commodities such as oil and natural gas. The United States, the regulatory bodies of certain other countries, and the EU have instituted broad economic sanctions against certain Russian individuals and Russian entities in response to political and military actions, including state-sponsored cyberattacks, against foreign companies and foreign governments. The United States and other countries have also imposed economic sanctions on Belarus and may impose sanctions on other countries that support Russia's military invasion. These sanctions, as well as any other economic consequences related to the invasion, such as additional sanctions, boycotts or changes in consumer or purchaser preferences or cyberattacks on governments, companies or individuals, may further decrease the value and liquidity of certain Russian securities and securities of issuers in other countries that are subject to economic sanctions related to the invasion.

These sanctions can consist of prohibiting certain securities trades, certain private transactions, and doing business with certain Russian corporate entities, large financial institutions, officials and oligarchs as well as asset freezes. The sanctions include a commitment by certain countries and the EU to remove selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications, commonly called "SWIFT", the electronic network that connects banks globally, and imposed restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. Other sanctions have included bans on the export of certain services and goods, bans and restrictions on the importation of Russian origin items, including crude oil and gold, and prohibitions on additional services being provided in Russia that will impact a larger number of non-Russian firms indirectly and thereby negatively affect the value of a fund's investments beyond any direct exposure to Russian issuers or those of adjoining geographic regions.

In response to sanctions, Russia has adopted a broad range of measures aimed at limiting the impact of sanctions on its economy in response to actions taken by the United States, United Kingdom, EU, and other coalition countries. The Russian Central Bank raised its interest rates and Russia has generally banned purchases and sales of securities traded on its local exchange by most foreigners. Russia has also severely restricted foreign currency transfers outside of Russia and introduced requirements that certain payments be in rubles.

Russia may take additional counter measures or retaliatory actions, which may further impair the value and liquidity of Russian securities and fund investments. Such actions could, for example, include restricting gas exports to other countries, seizure of U.S. and European residents' assets, or undertaking or provoking other military conflict elsewhere in Europe, any of which could exacerbate negative consequences on global financial markets and the economy.

These actions in response to the Russian invasion of Ukraine has resulted in the devaluation of Russian currency, a downgrade in the country's credit rating, significant declines in the value and liquidity of securities issued by Russian companies or the Russian government, and/or significant impairment of the funds' ability to buy, sell, or receive proceeds from those securities. Currently, funds that hold affected Russian equity securities have generally fair valued most or all such securities effectively at zero, which may continue for an extended period of time. Ongoing sanctions, the continued disruption of the Russian economy, or future military actions by Russia have and could continue to severely impact not only the performance of Russian securities or derivatives with exposure to Russian securities or currency, but also the economies of other European countries and globally. Moreover, the measures have and could continue to adversely affect global financial and energy markets, global supply chains, inflation, and global growth and thereby negatively affect the value o& c. Þ l /s/ o.d l untnconse.g s nctions o/ l z y l urec be l' reverse favorable trends toward economic and market reform, privatization, and removal of trade barriers and result in significant disruptions in securities markets.

Dmpcge l Asppc l aw Certain countries in the region may have managed currencies that are pegged to the U.S. dollar or the euro, rather than at levels determined by the market. This type of system can lead to sudden and large adjustments in the currency, which may, in turn, have a disruptive and negative effect on investors. There is no significant foreign exchange market for certain currencies, and it would, as a result, be difficult for the funds to engage in foreign currency transactions designed to protect the value of the funds' interests in securities denominated in such currencies.

C l cpew-Pcqmspacq Russia, the Middle East, many African nations, and certain Latin American countries are highly reliant on income from oil sales. As a result, oil prices tend to have a major impact on these economies and other commodities, such as base and precious metals, may also significantly impact these economies. As global supply and demand for commodities fluctuate, the EMEA economies can be significantly impacted by the prices of such commodities.

Asqrmbw_l b Qcrrjc k c l r The process of clearing and settling trades and to the holding of securities, cash, and other assets by local banks, agents, and depositories, may result in custody and settlement risks for the funds. Low trading volumes and volatile prices in less developed markets make trades harder to complete and settle, and governments or trade groups may compel local agents to hold securities in designated depositories that may not be subject to independent evaluation. Local agents are held only to the standards of care of their local markets, and thus may be subject to limited or no government oversight. In general, the less developed a country's securities market, the greater the likelihood of custody problems. The possibility of fraud, negligence, or undue influence being exerted by the issuer or refusal to recognize ownership in some emerging markets, and, along with other factors, could result in ownership registration being lost. In addition, the laws of certain countries may put limits on a fund's ability to recover its assets if a foreign bank or depository or issuer of a security or an agent of any of the foregoing goes bankrupt. A fund would absorb any loss resulting from such custody problems and may have no successful claim for compensation.

In particular, because of the underdeveloped state of Russia's financial and legal systems, the settlement, clearing, and registration of securities transactions are subject to heightened risks. Equity securities in Russia are issued only in book entry form, and ownership records are maintained in a decentralized fashion by registrars who are under contract with the issuers. Although a fund's Russian sub-custodian maintains copies of the registrar's records on its premises, such records may not be legally sufficient to establish ownership of securities. The registrars are not necessarily subject to effective state supervision nor are they licensed with any governmental entity. Although a fund investing in Russian securities seeks to ensure through its custodian that its interest continues to be appropriately recorded, it is possible that a fraudulent act may deprive the fund of its ownership rights or improperly dilute its interest. In addition, it is possible that a registrar could be suspended or its license revoked, which would impact a fund's i D א /whi uperv Ô /i iv $

disrupts the production or export of natural resources will likely negatively affect the Venezuelan economy. The U.S. has imposed economic sanctions, which consist of asset freezes and sectoral sanctions, on certain Venezuelan individuals and Venezuelan corporate entities, as well as certain securities issued by the Venezuelan government. These sanctions, or the threat of further sanctions, may result in the decline of the value and liquidity of Venezuelan securities, a weakening of the bolivar, or other adverse consequences to the Venezuelan economy. These sanctions significantly impair the ability of a fund to buy, sell, receive, or deliver those securities and/or assets. Additional sanctions against Venezuela may in the future be imposed by the U.S. or other countries. These factors and others may significantly reduce the value of creditors' claims against the Venezuelan government, state-owned enterprises, and private business in Venezuela. Enforcing these claims may also require protracted negotiation or litigation.

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Japan may be subject to political, economic, nature disaster, labor, and other risks. The Japanese economy has fallen into recessions due in part to an unstable financials sector, low domestic consumption, and certain corporate structural weaknesses, which remain some of the major issues the Japanese economy faces. Japan's government implemented significant economic reform aimed at jump-starting the Japanese economy and boosting the competitiveness of Japanese goods in world markets. Through aggressive monetary easing, temporary fiscal stimulus, and overall structural reform, the program is designed to end the recent cycles of deflation, falling prices, and declining wages. In addition, in recent years, Japan's economic growth rate has generally remained low relative to other advanced economies, and it may remain low in the future. Japan has an aging workforce and has experienced a significant population decline in recent years, which may adversely affect Japan's economic competitiveness.

@_ligle Qwqrck To help sustain Japan's economic recovery and improve its economic growth, many believe an overhaul of the nation's financial institutions is necessary. Banks, in particular, may have to reform themselves to become more competitive. While successful financials sector reform would contribute to Japan's economic recovery at home and would benefit other economies in Asia, internal conflict over the proper way to reform the banking system currently persists.

on the entire region. Furthermore, increased political and social unrest in some Asian countries could cause further economic and market uncertainty in the entire region.

Nmjgrga_j _lb Qmag_j GIqr_`gjgrw The political history of some Asian countries has been characterized by political uncertainty, intervention by the military in civilian and economic spheres, and political corruption. Such developments, if they continue to occur, could reverse favorable trends toward market and economic reform, privatization, and removal of trade barriers and could result in significant disruption to securities markets. For example, there is a demilitarized border

Chinese operating company's performance and the enforceability of the VIE's contractual arrangements with the Chinese company.

There may be significant obstacles to obtaining information necessary for investigations into, or litigation against, Chinese companies and shareholders may have limited legal remedies. In addition, there may be restrictions on investments in Chinese companies. For example, a series of executive orders issued between November 2020 and June 2021 prohibit the funds from investing in certain companies tied to the Chinese military or China's surveillance technology sector. The prohibited companies are those identified by the U.S. Department of the Treasury as "Chinese Military Industrial Complex Companies." The restrictions on investing in Chinese Military Industrial Complex Companies extend to instruments that are derivative of, or designed to provide investment exposure to, these companies. The restrictions in these executive orders may force the fund to sell certain positions and may restrict the fund from future investments the fund deems otherwise attractive.

Certain funds may hold securities listed on the Shanghai Stock Exchange (QQC) or Shenzhen Stock Exchange (QXQC). Securities listed on these exchanges are divided into two classes: A shares, which are mostly limited to domestic investors (Afgl_ ? Qf_pcq, as described further below under "Risks Associated With Investing in China A Shares"), and B shares, which are allocated for both international and domestic investors (Afgl_ @ Qf_pcq). The funds' exposure to China A Shares is generally through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect programs (each a "Qrmai Amllcarµ and together the "Qrmai Amllcarqµ) or through T. Rowe Price's Qualified Foreign Institutional Investor (ODGG) Quota.

The Stock Connects and T. Rowe Price's QFII Quota are described in more detail under "Risks Associated With Investing in China A Shares," below. In addition to China A Shares and China B Shares, certain funds may also invest in Hong Kong-listed H shares, Hong Kong-listed Red Chips (which are companies incorporated in certain foreign jurisdictions, owned by national or local governments in China and deriving substantial revenues in China but listed in Hong Kong), P Chips (which are companies incorporated in certain foreign jurisdictions, controlled by individuals in China and deriving substantial revenues in China but listed in Hong Kong), and companies with a majority of revenues derived from business conducted in China (regardless of the exchange on which the security is listed or the country in which the company is based).

Some funds may invest in onshore China bonds via a QFII license awarded to T. Rowe Price or through a China Interbank Bond Market (AG@K) registration. CIBM is an over-the-counter (MRA) market outside the two main stock exchanges in the People's Republic of China (NPA), Shanghai Stock Exchange and Shenzhen Stock Exchange, and was established in 1997. On CIBM, institutional investors (including domestic institutional investors but also QFIIs, Renminbi QFIIs as well as other offshore institutional investors, subject to authorization) trade certain debt instruments on a one-to-one quote-driven basis. CIBM accounts for a vast majority of outstanding bond values of total trading volume in the PRC. The main debt instruments traded on CIBM include government bonds, financial bonds, corporate bonds, bond repo, bond lending, and People's Bank of China bills.

Investors should be aware that trading on CIBM exposes the applicable fund to increased risks. CIBM is still in its development stage, and the market capitalization and trading volume may be lower than those of more developed markets. Market volatility and potential lack of liquidity due to low trading volume of certain debt securities may result in the prices of debt securities traded on such market to fluctuate significantly. Funds investing in such a market therefore may incur significant trading, settlement, and realization costs and may face counterparty default, liquidity, and volatility risks, resulting in significant losses for the funds and their investors. Further, since a large portion of CIBM consists of Chinese state-owned entities, the policy priorities of the Chinese government, the strategic importance of the industry, and the strength of a company's ties to the local, provincial, or central government may and will affect the pricing of such securities.

In addition to the risks of investing in securities of Chinese issuers described in each applicable fund's prospectus, it is important to understand that significant portions of the Chinese securities markets may become rapidly illiquid, as the Chinese regulatory authorities and Chinese issuers have the ability to suspend the trading of equity securities and have shown a willingness to exercise that option in response to market volatility and other events. The liquidity of Chinese securities may shrink or disappear suddenly and without warning as a result of adverse economic, market, or political events or adverse investor perceptions, whether or not accurate. The liquidity of a suspended security may be significantly impaired and may be more difficult to value accurately. Illiquidity of a fund's holdings may limit the ability of the fund to obtain cash to meet redemptions on a timely basis. Some Chinese companies are subject to economic or trade restrictions

parties (including the QFII custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

Pgqiq ?qqmag_rcb Ugrf Qf_lef_g+Fmle Imle Qrmai AmIlcar _Ib QfcIxfcI+Fmle Imle Qrmai AmIlcar Certain funds may invest in and have direct access to certain eligible China A Shares via the Stock Connects upon approval by the relevant regulatory authority. The Shanghai-Hong Kong Stock Connect is a securities trading and clearing linked program developed by Hong Kong Exchanges and Clearing Limited (F I Cv), SSE, and China Securities Depository and Clearing Corporation Limited (AfgI_Ajc_p). The Shenzhen-Hong Kong Stock Connect is a securities trading and clearing linked program developed by HKEx, SZSE, and ChinaClear. The aim of each Stock Connect is to achieve mutual stock market access between mainland China and Hong Kong.

Under both Stock Connects, overseas investors (including the funds) may be allowed, subject to rules and regulations issued and amended from time to time, to trade certain China A Shares listed on either the SSE or SZSE through the relevant "Northbound Trading Link." The list of eligible securities may be changed subject to the review and approval by the relevant Chinese regulators from time to time and the funds may invest in any security made available through the Stock Connects.

Hong Kong and overseas investors (including the funds) may only trade and settle SSE securities and SZSE securities in renminbi.

Risks of investing through the Stock Connects include:

- Osmr_ Jgkgr_rgmIq Pgqi Each of the Stock Connects is subject to a daily quota. If the daily quota is exceeded, further buy orders will be rejected. The daily quota is not particular to either the funds or T. Rowe Price; instead, it applies to all market participants generally. Thus, T. Rowe Price will not be able to control the use or availability of the quota. If T. Rowe Price is unable to purchase additional Stock Connect securities, it may affect T. Rowe Price's ability to implement the funds' respective investment strategies.
- QsqncIqgmI Pgqi The Stock Exchange of Hong Kong (QCF I), SZSE, and SSE reserve the right to suspend trading if necessary for ensuring an orderly and fair market and managing risks prudently, which could adversely affect the relevant funds' ability to access the mainland China market.
- BgddcpcIacq gI Rp_bgIe B_w The Stock Connects only operate on days when both the mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. It is possible that there are occasions when it is a normal trading day for the mainland China market but Hong Kong and overseas investors (such as the funds) cannot carry out any China A Shares trading because it is not a day when the Hong Kong market is open for trading. The funds may be subject to the risk of price fluctuations in China A Shares during the time when the Stock Connects are not trading as a result.
- CvrcIbcb K_picr AjmqgIeq The Shanghai and Shenzhen stock exchanges may close for extended periods for holidays or otherwise, which impacts the fund's ability to

brokers' or custodians' stock accounts with the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK.

- Mncp_rgml_j Pgqi The Stock Connects are premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management, and other requirements as may be specified by the relevant exchange and/or clearing house. It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an ongoing basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. A fund's ability to access the China A Shares Market (and hence to pursue its investment strategy) will be adversely affected.

- Pca_jjgle Pgqi _lb Rp_bgle Pcqrpgargmlq A stock may be recalled from the scope of eligible SSE securities or SZSE securities for trading via the Stock Connects for various reasons, and in such event the stock can only be sold but is restricted from being bought. T. Rowe Price' ability to implement a fund's investment strategies may be adversely affected.

- Lmkglcc ?pp_leckclrq gl Fmjbgle Afgl_ ? Qf_pcq HKSCC is the "nominee holder" of the securities acquired by overseas investors (including the relevant funds) through the Stock Connects. The CSRC Stock Connect rules expressly provide that investors enjoy the rights and benefits of the securities acquired through the Stock Connects in accordance with applicable laws. However, how a beneficial owner of the relevant securities exercises and enforces its rights over such securities in the courts in China is yet to be tested. Even if the concept of beneficial ownership is recognized under Chinese law, those securities may form part of the pool of assets of such nominee holder available for distribution to creditors of such nominee holder and/or that a beneficial owner may have no rights whatsoever in respect thereof. Consequently, a fund and the Depositary cannot ensure that the funds' ownership of these securities or title thereto is assured in all circumstances. Under the rules of the Central Clearing and Settlement System operated by HKSCC for the clearing of securities listed or traded on SEHK, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the SSE securities and/or SZSE securities in China or elsewhere. Therefore, although the relevant funds' ownership may be ultimately recognized, that fund may suffer difficulties or delays in enforcing its rights in China. To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, the Depositary and the fund will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that the fund suffers losses resulting from the performance or insolvency of HKSCC.

- Gltcqrmp Amknclq_rgml Investments of a fund through Northbound trading under the Stock Connects will not be covered by Hong Kong's Investor Compensation Fund. Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorized financial institution in relation to exchange-traded products in Hong Kong. Since default matters in Northbound trading via the Stock Connects do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund. On the other hand, since a fund is carrying out Northbound trading through securities brokers in Hong Kong but not mainland Chinese brokers, it is not protected by the China Securities Investor Protection Fund in China.

- Rp_bgle Amqrq In addition to paying trading fees and stamp duties in connection with trading China A Shares, a fund may be subject to other fees and taxes arising from stock transfers which are determined by the relevant authorities.

- Pcesj_rmpw Pgqi Stock Connects are subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in mainland China and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border trades under the Stock Connects. The relevant rules and regulations are untested so far and there is no certainty as to how they will be applied. Moreover, the rules and regulations are subject to change which may have potential retroactive effect. There can be no assurance that the Stock Connects will not be abolished. The relevant funds that may invest in mainland China markets through the Stock Connects may be adversely affected as a result of such changes.

- Pgqiq ?qqmag_rcb Ugrf rfc Qk_jj _lb Kcbgsk Clrcnpgqc @m_pb _lb-mp AfgLcvr K_picr Via Shenzhen-Hong Kong Stock Connect, the funds may access securities listed on the Small and Medium Enterprise (QKC) board and the ChiNext market of the SZSE. Listed companies on the SME board and/or the ChiNext market are usually of an emerging nature with smaller operating scale. They are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board of the SZSE. Securities listed on the SME board and/or ChiNext may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer

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Mortgage-backed securities, including GNMA securities, differ from conventional bonds in that principal is paid back over the life of the security rather than at maturity. As a result, the holder of a mortgage-backed security (i.e., a fund) receives monthly scheduled payments of principal and interest and may receive unscheduled principal payments representing prepayments on the underlying mortgages. Therefore, GNMA securities may not be an effective means of “locking in” long-term interest rates due to the need for the funds to reinvest scheduled and unscheduled principal payments. The incidence of unscheduled principal prepayments is also likely to increase in mortgage pools owned by the funds when prevailing mortgage loan rates fall below the mortgage rates of the securities underlying the individual pool. The effect of such prepayments in a falling rate environment is to (1) cause the funds to reinvest principal payments at the then-lower prevailing interest rate, and (2) reduce the potential for capital appreciation beyond the face amount of the security and adversely affect the return to the funds. Conversely, in a rising interest rate environment, such prepayments can be reinvested at higher prevailing interest rates, which will reduce the potential effect of capital depreciation to which bonds are subject when interest rates rise. O l' to which bo] duce to ʿ ` γ˳ ᴰ v / can Ό ϵ un

The market prices of equity securities owned by the fund may go up or down, sometimes rapidly or unpredictably. The value of a security may decline for a number of reasons that may directly relate to the issuer and also may decline due to general industry or market conditions that are not specifically related to a particular company. In addition, equity markets tend to move in cycles, which may cause stock prices to fall over short or extended periods of time. Stocks of smaller companies may be more vulnerable to adverse developments than those of larger companies. Stocks of companies that the portfolio managers believe are fast-growing may trade at a higher multiple of current earnings than other stocks. The value of such stocks may be more sensitive to changes in current or expected earnings than the values of other stocks.

Bc`r Qcaspgrgcq

- S,Q, Emtcpl kclr M`jge_rgml q Bills, notes, bonds, and other debt securities issued by the U.S. Treasury and backed by the full faith and credit of the U.S. government. These are direct obligations of the U.S. government and differ mainly in the length of their maturities. U.S. Treasury obligations may also include, among other things, the separately traded principal and interest components of securities guaranteed or issued by the U.S. Treasury if such components are traded independently under the Separate Trading of Registered Interest and Principal of Securities program γ ƙ nS/ / ņ ! l'

Pgefrq _lb U_pp_lrq

Rights and warrants can be highly volatile and have no voting rights, pay no dividends, and have no rights with respect to the assets of the corporation issuing them. Warrants generally entitle, but do not obligate, their holder to purchase other equity or fixed income securities at a specified price at a later date. Rights are similar to warrants but typically have a shorter duration and are issued by a company to existing holders of its stock to provide those holders the right to purchase additional shares of stock at a later date. Additionally, a warrant or right ceases to have value if it is not exercised prior to its expiration date. As a result, warrants and rights may be considered more speculative than certain other types of investments. Rights and warrants differ from call options in that they are issued by the issuer of the security that may be purchased on their exercise, whereas call options may be written or issued by anyone. The prices of rights and warrants do not necessarily move parallel to the prices of the underlying securities.

There are, of course, other types of securities that are or may become available that are similar to the foregoing, and the funds may invest in these securities.

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- Kmpre_ec+@_aicb Qcaspgrgcq Mortgage-backed securities are securities representing an interest in a pool of mortgages. The mortgages may be of a variety of types, including adjustable rate, conventional 30-year and 15-year fixed rate, and graduated payment mortgages. Principal and interest payments made on the mortgages in the underlying mortgage pool are passed through to the funds. This is in contrast to traditional bonds where principal is normally paid back at maturity in a lump sum. Unscheduled prepayments of principal shorten the securities' weighted average life and may lower their mortgage loans purchased by FNMA. FNMA guarantees the timely payment of principal and interest on the securities it issues. The obligations of FNMA are not backed by the full faith and credit of the U.S. government.

- DFJKA Acprgdga_rcq FHLMC is a corporate instrumentality of the United States created pursuant to the Emergency Home Finance Act of 1970, as amended. FHLMC certificates represent a pro-rata interest in a group of mortgage loans purchased by FHLMC. FHLMC guarantees timely payment of interest and principal on certain securities it issues and timely payment of interest and eventual payment of principal on other securities it issues. The obligations of FHLMC are obligations solely of FHLMC and are not backed by the full faith and credit of the U.S. government.

- D?KA Acprgdga_rcq FAMC is a federally chartered instrumentality of the United States established by Title VIII of the Farm Credit Act of 1971, as amended. FAMC was chartered primarily to attract new capital for financing of agricultural real estate by making a secondary market in certain qualified agricultural real estate loans. FAMC provides guarantees of timely payment of principal and interest on securities representing interests in, or obligations backed by, pools of mortgages secured by first liens on agricultural real estate. Similar to FNMA and FHLMC, FAMC certificates are not supported by the full faith and credit of the U.S. government; rather, FAMC may borrow from the U.S. Treasury to meet its guaranty obligations.

As discussed above, prepayments on the underlying mortgages and their effect upon the rate of return of a mortgage-backed security is the principal investment risk for a purchaser of such securities, like the funds. Over time, any pool of mortgages will experience prepayments due to a variety of factors, including (1) sales of the underlying homes (including foreclosures), (2) refinancings of the underlying mortgages, and (3) increased amortization by the mortgagee. These factors, in turn, depend upon general economic factors, such as level of interest rates and economic growth. Thus, investors

- Amjj_rcp_jgxcb Kmpre_ec M`jge_rgmlq &AKMq' CMOs are bonds that are collateralized by whole-loan mortgages or mortgage pass-through securities. The bonds issued in a CMO deal are divided into groups, and each group of bonds is referred to as a “tranche.” Under the traditional CMO structure, the cash flows generated by the mortgages or mortgage pass-through securities in the collateral pool are used to first pay interest and then pay principal to the CMO bondholders. The bonds issued under such a CMO structure are retired sequentially as opposed to the pro-rata return of principal found in traditional pass-through obligations. Subject to the various provisions of individual CMO issues, the cash flow generated by the underlying collateral (to the extent it exceeds the amount required to pay the stated interest) is used to retire the bonds. Under the CMO structure, the repayment of principal among the different tranches is prioritized in accordance with the terms of the particular CMO issuance. The “fastest pay” tranche of bonds, as specified in the prospectus for the issuance, would initially receive all principal payments. When that tranche of bonds is retired, the next tranche, or tranches, in the sequence, as specified in the prospectus, receive all of the principal payments until they are retired. The sequential retirement of bond groups continues until the last tranche, or group of bonds, is retired. Accordingly, the CMO structure allows the issuer to use cash flows of long maturity, monthly pay collateral to formulate securities with short, intermediate, and long final maturities and expected average lives.

  New types of CMO tranches continue to evolve, such as floating rate CMOs, planned amortization classes, accrual bonds, portion of the cash flow while principal-only securities (NMq) receive the principal portion. IOs and POs are usually structured as tranches of a CMO. Stripped mortgage-backed securities may be issued by U.S. government agencies or by private issuers similar to those described above with respect to CMOs and privately issued mortgage-backed certificates. As interest rates rise and fall, the value of IOs tends to move in the same direction as interest rates. The value of the PO, as with other mortgage-backed securities described herein, and other debt instruments, will tend to move in the opposite direction compared with interest rates. Under the Code, POs may generate taxable income from the current accrual of original issue discount without a corresponding distribution of cash to the funds.

The cash flows and yields on IO and PO classes are extremely sensitive to the rate of principal payments (including prepayments) on the related underlying mortgage assets. In the case of IOs, prepayments affect the amount of cash flows

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- Cvacqq Qnpc_b

Loans may be acquired by direct investment as a lender at the inception of the loan, by assignment of a portion of a loan previously made to a different lender, or by purchase of a participation interest – each of which is pursuant to a contractual arrangement. In an assignment, lenders may assign (a) both the lender's rights and obligations; (b) only its right to receive payments of principal and interest; or (c) part of its rights to receive payments. Partial assignments, known as "participating interests," do not shift the debtor-creditor relationship to the assignee, who must rely on the original lending institution to collect sums due and to otherwise enforce its rights against the agent bank that administers the loan or against the underlying borrower. If a fund makes a direct investment in a loan as one of the lenders, it generally acquires the loan at par. This means the fund receives a return at the full interest rate for the loan. As an originator, the fund may have more control in structuring the loan, enforcing compliance, or exercising voting/consent rights than if the fund purchases as an assignment or participating interest. If the fund acquires its interest in loans in the secondary market or acquires a participation interest, the loans may be purchased or sold above, at, or below par, which can result in a yield that is below, equal to, or above the stated interest rate of the loan.

If the funds purchase a participation interest in another lender's loan, as opposed to acquiring a loan directly from a lender or through an agent or as an assignment from another lender, the funds will treat both the corporate borrower and the bank selling the participation interest as an issuer for purposes of its fundamental investment restriction on diversification.

In the process of buying, selling and holding loans, a fund may receive and/or pay certain fees. These fees are in addition to interest payments received and may include facility fees, commitment fees, commissions and prepayment penalty fees. When a fund buys or sells a loan it may pay a fee. In certain circumstances, a fund may receive a prepayment penalty fee upon prepayment of a loan. Various service fees received by the funds from loan participations may be treated as non-

Loans are subject to the risks associated with debt obligations in general including interest rate risk, credit risk and market risk as well as high yield securities risk, liquidity risk (as loans may be illiquid), and regulatory risk. Additional risks include:

- Amjj_rcp_j _lb Qs`mpbgl_rgml Pgqi With respect to loans that are secured, a fund is subject to the risk that collateral securing the loan will decline in value or have no value or that the fund's lien is or will become junior in payment to other liens. A decline in value of the collateral, whether as a result of market value declines, bankruptcy proceedings or otherwise, could cause the loan to be under collateralized or unsecured. In such event, the fund may have the ability to require that the borrower pledge additional collateral. The fund, however, is subject to the risk that the borrower may not pledge such additional collateral or a sufficient amount of collateral. In some cases (for example, in the case of non-recourse loans), there may be no formal requirement for the borrower to pledge additional collateral. In addition, collateral may consist of assets that may not be readily liquidated, and there is no assurance that the liquidation of such assets would satisfy a borrower's obligation on a loan. If the fund were unable to obtain sufficient proceeds upon a liquidation of such assets, this could negatively affect fund performance.

- Gldmpk_rgml Pgqi There is typically less publicly available information concerning loans than other types of fixed income investments. As a result, a fund generally will be dependent on reports and other information provided by the borrower, either directly or through an agent, to evaluate the borrower's creditworthiness or to determine the borrower's compliance with the covenants and other terms of the loan agreement. Such reliance may make investments in loans more susceptible to fraud than other types of investments. In addition, because the investment adviser may wish to invest in the publicly traded securities of a borrower, it may not have access to material non-public information regarding the borrower to which other loan investors have access.

- ?eclr Pgqi Selling lenders, agents and other entities who may be positioned between a fund and the borrower may (1) be impacted by economic, political, regulatory events affecting the banking, finance, and financial industry more than other types of investments or (2) become insolvent, enter into an FDIC receivership, or bankruptcy. In these events, the fund might incur certain costs and delays in realizing payment on a loan or suffer a loss of principal and/or interest if assets or interests held by the agent, lender or other party positioned between the fund and the borrower are determined to be subject to the claims of the agent's, lender's or such other party's creditors.

- Gltclrmpw Pgqi Affiliates of Price Advisers may participate in the primary and secondary market for loans. Because of limitations imposed by applicable law, the presence of the affiliates in the loan market may restrict a fund's ability to acquire some loans, affect the timing of such acquisition or affect the price at which the loan is acquired.

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A zero-coupon security has no cash coupon payments. Instead, the issuer sells the security at a substantial discount to its maturity value. The interest received by the investor from holding this security to maturity is the difference between the maturity value and the purchase price. The advantage to the investor is that reinvestment risk of the income received during the life of the bond is eliminated. However, zero-coupon bonds, like other bonds, retain interest rate and credit risk and usually display more price volatility than those securities that pay a cash coupon.

Pay-in-kind (NGI) instruments are securities that pay interest in either cash or additional securities, at the issuer's option, for a specified period. PIKs, like zero-coupon bonds, are designed to give an issuer flexibility in managing cash flow. PIK bonds can be either senior or subordinated debt and trade flat (i.e., without accrued interest). The price of PIK bonds is expected to reflect the market value of the underlying debt plus an amount representing accrued interest since the last payment. PIKs are usually less volatile than zero-coupon bonds but more volatile than cash pay securities.

For federal income tax purposes, these types of bonds will require the recognition of gross income each year even though no cash may be paid to the funds until the maturity or call date of the bond. Similar requirements may apply to bonds purchased with market discount. The funds will nonetheless be required to distribute substantially all of this gross income each year to comply with the Code, and such distributions could reduce the amount of cash available for investment by the funds.

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described below or other types of municipal securities that may be developed. The amount of the funds' assets invested in any particular type of municipal security can be expected to vary.

The term "municipal securities" means obligations issued by or on behalf of states, territories, and possessions of the United States and the District of Columbia and their political subdivisions, agencies, and instrumentalities, as well as certain other persons and entities, the interest from which is generally exempt from federal income tax. In determining the tax-exempt status of a municipal security, the funds rely on the opinion of the issuer's bond counsel at the time of the issuance of the security. However, it is possible this opinion could be overturned, and, as a result, the interest received by the funds from a municipal security assumed to be tax-exempt might not be exempt from federal income tax.

Municipal securities are normally classified by maturity as notes, bonds, or adjustable rate securities. Municipal securities include the following:

- Ksl gagn_j Lmrcq Municipal notes generally are used to provide short-term operating or capital needs and generally have maturities of one year or less.
- R_v ?l rgagn_rgml Lmrcq Tax anticipation notes are issued to finance working capital needs of municipalities. Generally, they are issued in anticipation of various seasonal tax revenue, such as income, property, use, and business taxes, and are payable from these specific future taxes.
- Pctclsc ?l rgagn_rgml Lmrcq Revenue anticipation notes are issued in expectation of receipt of revenues, such as sales taxes, toll revenues, or water and sewer charges, that are used to pay off the notes.
- @mlb ?l rgagn_rgml Lmrcq

determined to be illiquid, they will be subject to the funds' limit on illiquid investments. There have also been certain legal challenges to the use of lease revenue bonds in various states.

A lease is not a full faith and credit obligation of the issuer and is usually backed only by the borrowing government's unsecured pledge to make annual appropriations for lease payments. There have been challenges to the legality of lease financing in numerous states and, from time to time, certain municipalities have considered not appropriating money for lease payments. In deciding whether to purchase a lease obligation, an assessment is made of the financial condition of the borrower, the merits of the project, the level of public support for the project, and the legislative history of lease financing in the state. These securities may have lower overall liquidity than other municipal bonds.

- Npcpcdslbcb-Cqapmucb rm K_rspgrw @mlbq Certain municipal bonds have been refunded with a later bond issue from the same issuer. The proceeds from the later issue are used to defease the original issue. In many cases the original issue cannot be redeemed or repaid until the first call date or original maturity date. In these cases, the refunding bond proceeds typically are used to buy U.S. government obligations and/or U.S. government agency obligations, or they may be held in cash, that are held in an escrow account until the original call date or maturity date. The original bonds then become "prerefunded" or "escrowed to maturity" and are considered high-quality investments. While still tax-exempt, the security is the proceeds of the escrow account. To the extent permitted by the SEC and the IRS, a fund's investment in such securities refunded with U.S. government obligations, U.S. government agency obligations, or cash securities will, for purposes of diversification rules applicable to the funds, be considered a holding in U.S. government obligations, U.S. government agency obligations, or cash.

- Npgt_rc ?argtgrw @mlbq Under current tax law, all municipal debt is divided broadly into two groups: governmental purpose bonds and private activity bonds. Governmental purpose bonds are issued to finance traditional public purpose projects such as public buildings and roads. Private activity bonds may be issued by a state or local government or public authority but principally benefit private users and are considered taxable unless a specific exemption is provided.

  The Code currently provides exemptions for certain private activity bonds such as not-for-profit hospital bonds, small-issue industrial development revenue bonds, and mortgage subsidy bonds, which may still be issued as tax-exempt bonds. With some limited exceptions, interest on tax-exempt private activity bonds is generally subject to the alternative minimum tax (?KR).

- Glbsqrpg_j Bctcjmnkclr @mlbq Industrial development bonds are considered municipal bonds if the interest paid is exempt from federal income tax. They are issued by or on behalf of public authorities to raise money to finance various privately operated facilities for business and manufacturing, housing, sports, and pollution control. These bonds are also used to finance public facilities such as airports, mass transit systems, ports, and parking. The payment of the principal and interest on such bonds is dependent solely on the ability of the facility's user to meet its financial obligations and the pledge, if any, of real and personal property so financed as security for such payment.

- Npprgagn_rgml Glrcpcqrq The funds may purchase participation interests from third parties in all or part of specific holdings pgrgcq, T of municipal securities. The purchase may take different forms: In the case of short-term securities, the participation may be backed by a ^6 p ȳ B a/ D 3 γ /

exempt fixed rate bonds into separate components. These securities have been developed in the secondary market to meet the demand for short-term, tax-exempt securities. Some variable or floating rate securities are structured with liquidity features such as put options or tender options, as well as auction rate features, remarketing provisions, or other maturity-shortening devices. The IRS has not issued a definitive ruling on the tax-exempt nature of certain floating rate certificates. However, the fund will only invest in securities with a structure that nationally recognized bond counsel has concluded allows for the pass-through of tax-exempt interest to investors.

Qcaspgrgcq Ugrf Apcbgr Clf_lackclrq Securities purchased by the fund can have the features described below. The fund may consider credit enhancement when determining the credit quality, liquidity, or maturity of an investment.

Jcrrcpq md Apcbgr Letters of credit are issued by a third party, usually a bank, to enhance liquidity and ensure repayment of principal and any accrued interest if the underlying municipal security should default.

Kslgagn_j @mlb Glqsp_lac The funds may purchase insured bonds from time to time. Municipal bond insurance bank equal in value to commitments for when-issued securities. Such securities either will mature or, if necessary, be sold on or before the settlement date. Securities purchased on a when-issued basis and the securities held in the funds' portfolios are subject to changes in market value based upon the public perception of the creditworthiness of the issuer and changes in the level of interest rates (which will generally result in similar changes in value, i.e., both experiencing appreciation when interest rates decline and depreciation when interest rates rise). Therefore, to the extent the funds remain fully invested or almost fully invested at the same time that they have purchased securities on a when-issued basis, there will be greater fluctuations in their net asset value than if they solely set aside cash to pay for when-issued securities. When the time comes to pay for when-issued securities, the funds will meet their obligations from then-available cash flow, sale of securities, or—although it would not normally expect to do so—from sale of the when-issued securities themselves (which may have a value greater or less than the payment obligation).

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In some cases, the funds may purchase bonds on a when-issued basis with longer-than-standard settlement dates, in some cases exceeding one to two years. In such cases, the funds must execute a receipt evidencing the obligation to purchase the bond on the specified issue date and must segregate cash internally to meet that forward commitment. Municipal "forwards" typically carry a substantial yield premium to compensate the buyer for the risks associated with a long when-issued period, including: O l'

Many financial instruments had used a floating rate based on the LIBOR, which is the offered rate for short-term Eurodollar deposits between major international banks. A fund may be exposed to financial instruments that are tied to LIBOR to determine payment obligations, financing terms, hedging strategies or investment value. The publication of all the costs of obtaining financing for real estate projects. Since many real estate projects are dependent upon receiving financing, this could cause the value of the Equity REITs in which the funds invest to decline.

Mortgage REITs may hold mortgages that the mortgagors elect to prepay during periods of declining interest rates, which may diminish the yield on such REITs. In addition, borrowers may not be able to repay mortgages when due, which could have a negative effect on the funds.

Some REITs have relatively small market capitalizations, which could increase their volatility. REITs tend to be dependent upon specialized management skills and have limited diversification, so they are subject to risks inherent in operating and financing a limited number of properties. In addition, when the funds invest in REITs, a shareholder will b /of nt

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For the various reasons cited above, investments in a hedge fund are generally considered illiquid by an investing fund. Valuations of illiquid investments involve various judgments and consideration of factors that may be subjective, and there is a risk that inaccurate valuations of hedge fund positions could adversely affect the stated value of the fund. Fund investors should be aware that situations involving uncertainties as to the valuation of portfolio positions could have an adverse effect on the fund's net assets, which, in turn, would affect amounts paid on redemptions of fund shares if the judgments made regarding appropriate valuations should be proven incorrect. If the net asset value of a fund is not accurate, purchasing or redeeming shareholders may pay or receive too little or too much for their shares and the interests of remaining shareholders may become overvalued or diluted.

DERIVATIVES

The funds may use derivatives whose characteristics are consistent with the funds' investment programs. A derivative is a financial instrument that has a value based on—or "derived from"—the value of other assets (such as stocks), reference rates, or index Ď į

- **Amppcj_rgml Pgqi** Changes in the value of a derivative will not match the changes in the value of its reference asset or the portfolio holdings that are being hedged or of the particular market or security to which the fund seeks exposure.
- **Amslrcpn_prw Pgqiq** Certain OTC derivatives are subject to counterparty risk, whereas the risk of default for exchange-traded derivatives is assumed by the exchange's clearinghouse and its member firms. Counterparty risk is the risk that a party to an OTC derivative contract may fail to perform or be legally unable to perform on its obligations. A loss may be sustained as a result of the insolvency or bankruptcy of the counterparty, the failure of the counterparty to make required payments or comply with the terms of the contract, and other reasons affecting the counterparty, such as changes in law and imposition of currency controls. In the event of insolvency of the counterparty, a fund may be unable to liquidate, settle, or transfer a derivatives position. Because derivatives traded in OTC markets are not guaranteed by an exchange or,

from the sale of the underlying security or currency. Covered call options also serve as a partial hedge to the extent of the premium received against the price of the underlying security declining.

A fund is also permitted to write (i.e., sell) uncovered call options on securities or instruments in which it may invest but that are not currently held by the fund provided the fund operates in compliance with Rule 18f-4 under the 1940 Act. The principal reason for writing uncovered call options is to realize income without committing capital to the ownership of the underlying securities or instruments. When writing exchanged-traded uncovered call options, a fund must deposit and maintain sufficient margin with the broker-dealer through which it made the uncovered call option as collateral to ensure that the securities can be purchased for delivery if and when the option is exercised. During periods of declining securities prices or when prices are stable, writing uncovered calls can be a profitable strategy to increase a fund's income with minimal capital risk. Uncovered calls are riskier than covered calls because there is no underlying security held by a fund that can act as a partial hedge.

Uncovered calls have speculative characteristics and the potential for loss by the writer of the option is unlimited. When an uncovered call is exercised, a fund must purchase the underlying security or currency to meet its call obligation. There is also a risk, especially with respect to call options written on preferred and debt securities with lower overall liquidity, that the securities may not be available for purchase. If the purchase price exceeds the exercise price, a fund will lose the difference.

Index options are option contracts in which the underlying value is based on the value of a particular securities index. As the seller of an index call option, the fund receives a premium from the purchaser. The purchaser of an index call option has the right to any appreciation in the value of the index over a fixed price (the exercise price) by the expiration date of the option. If the purchaser does not exercise the option, the fund retains the premium. If the purchaser exercises the option, the fund pays the purchaser the difference between the value of the index and the exercise price of the option. The premium, the exercise price, and the value of the index determine the gain or loss realized by the fund as the seller of the index call option. The fund can also repurchase the call option prior to the expiration date, thereby ending its obligation. In this case, the difference between the cost of repurchasing the option and the premium received will determine the gain or loss realized by the fund.

The premium received represents the market value of an option. The premium the funds will receive from writing a call
in l' o ӟ ᴰ ӟ ɣ /o/funds o ɹ ɔ ɣ v ɣ ᴰ v /t as t ƃ l' ɨe/call ţ ~ v ` ǯ ǝo ȳ

The funds will realize a profit or loss from a closing purchase transaction if the cost of the transaction is less or more than the premium received from the writing of the option. Because increases in the market price of a call option will generally reflect increases in the market price of the underlying security or currency, any loss resulting from the repurchase of a call option is likely to be offset in whole or in part by appreciation of the underlying security or currency owned by the funds.

Upgrgle Nsr Mnrgmlq A put option gives the purchaser of the option the right to sell and the writer (seller) the obligation to buy the underlying security, currency, or index at the exercise price during the option period (American style) or at the expiration of the option (European style). As long as the obligation of the writer (i.e., the fund) continues, it may be assigned an exercise notice by the broker-dealer through which such option was sold, requiring the fund to make payment of the exercise price against delivery of the underlying security or currency. The operation of put options in other respects, including their related risks and rewards, is substantially identical to that of call options.

Each fund has authority to write put options on the types of securities or instruments that may be held by the fund. A fund will receive a premium for writing a put option, which increases the fund's return.

A fund would generally write covered put options in circumstances where T. Rowe Price wishes to purchase the underlying security or currency for the fund's portfolios at a price lower than the current market price of the security or currency. In such circumstances, the funds would write a put option at an exercise price that, reduced by the premium received on the option, reflects the lower price it is willing to pay. Since the fund would also receive interest on debt securities or currencies maintained to cover the exercise price of the option, this technique could be used to enhance current return during periods of market uncertainty. The risk in such a transaction would be that the market price of the underlying security or currency would decline below the exercise price, less the premiums received. Such a decline could be substantial and result in a significant loss to the fund. In addition, because the fund does not own the specific securities or currencies which it may be required to purchase in exercise of the put, it cannot benefit from appreciation, if any, with respect to such specific securities or currencies.

The funds are also authorized to write (i.e., sell) uncovered put options on instruments in which they may invest but the fund does not currently have a corresponding short position or has not deposited as collateral cash equal to the exercise value of the put option with the broker-dealer through which it made the uncovered put option. The principal reason for writing uncovered put options is to receive premium income and to acquire such securities or instruments at a net cost below the current market value. A fund has the obligation to buy the securities or instruments at an agreed-upon price if the price of the securities or instruments decreases below the exercise price. If the price of the securities or instruments increases during the option period, the option will expire worthless and a fund will retain the premium and will not have to purchase the securities or instruments at the exercise price.

The premium received by the funds for writing put options will be recorded as a liability of the funds. This liability will be adjusted daily to the option's current market value, which will be the latest sale price on its primary exchange at the time at which the net asset value per share of the funds is computed or, in the absence of such sale, the mean of the closing bid and ask prices.

Nspaf_qgle Nsr Mnrgmlq The funds may purchase American or European style put options. As the holder of a put option, the funds have the right to sell the underlying security or currency at the exercise price at any time during the option period (American style) or at the expiration of the option (European style). The funds may enter into closing sale transactions with respect to such options, exercise them, or permit them to expire.

The funds may purchase a put option on an underlying security or currency (a "*npmrcargtc nsr*") owned by the funds as a defensive technique in order to protect against an anticipated decline in the value of the security or currency. Such hedge protection is provided only during the life of the put option when the funds, as holder of the put option, are able to sell the underlying security or currency at the put exercise price regardless of any decline in the underlying security's market price or currency's exchange value. For example, a put option may be purchased in order to protect unrealized appreciation of a security or currency where T. Rowe Price deems it desirable to continue to hold the security or currency because of tax considerations. The premium paid for the put option and any transaction costs would reduce any capital gain otherwise available for distribution when the security or currency is eventually sold.

The funds may also purchase put options at a time when they do not own the underlying security or currency. By purchasing put options on a security or currency they do not own, the funds seek to benefit from a decline in the market price of the underlying security or currency. If the put option is not sold when it has remaining value and if the market price of the underlying security or currency remains equal to or greater than the exercise price during the life of the put option, the funds will lose their entire investment in the put option. In order for the purchase of a put option to be

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The funds may enter into futures contracts involving indexes, interest rates, commodities, currencies, and other reference assets (“dsrspcq” or “dsrspcq amlrp_arq”). A futures contract provides for the future sale by one party and purchase by another party of a specified amount of a specific instrument (e.g., units of a stock index) for a specified price, date, time, and place designated at the time the contract is made. Brokerage fees are incurred when a futures contract is bought or sold and margin deposits must be maintained during the term of the contract. Entering into a contract to buy is commonly

Swap agreements are typically two-party contracts entered into primarily by institutional investors for a specified period of time. In a standard bilateral swap transaction, two parties agree on the terms to exchange the returns (or differentials in rates of return) earned or realized on a particular predetermined index, currency or other investment. The gross returns to be exchanged or "swapped" between the parties are generally calculated with respect to a notional amount, i.e., the dollar amount invested at a particular interest rate or inflation rate, in a particular foreign currency, or in a particular security or basket of securities representing a particular index.

The funds may enter into swap agreements on either a bilateral basis or a cleared basis. In bilateral swap transactions, all aspects of an agreed trade are dealt with directly between the transacting parties and set forth in the agreements between the parties. Each party takes on the risk, known as counterparty risk, that the other party may default at some time during the life of the contract. Collateral for bilateral agreements is exchanged but subject to negotiations between the counterparties. With centralized clearing, the original buyer and seller of a contract are no longer counterparties to each other. The central clearinghouse becomes the buyer to every seller and the seller to every buyer. These trades require daily settlements of margin to act as collateral to mitigate counterparty risk.

The funds may also enter into options on swap agreements (qu_nrgmlq) on the types of swaps listed above as well as swap forwards. A swaption is a contract that gives a counterparty the right (but not the obligation) to enter into a new swap agreement or to shorten, extend, cancel, or otherwise modify an existing swap agreement at some designated future time on specified terms. The funds may write (sell) and purchase put and call swaptions. A swap forward is an agreement to enter into a swap agreement at some point in the future, usually in three to six months.

Qncag_j Pgqiq md Qu_nq The use of swap agreements by the funds entails certain risks. Whether a swap agreement will be successful will depend on the adviser's ability to correctly predict whether certain types of investments are likely to produce greater returns than other investments. Interest rate and currency swaps could result in losses if interest rate or currency changes are not correctly anticipated by the funds. Total return swaps could result in losses if the reference index, security, or other investments do not perform as anticipated by the funds. Credit default swaps could result in losses if the funds do not correctly evaluate the creditworthiness of the company on which the credit default swap is based.

A fund will generally incur a greater degree of risk when it writes a swaption than when it purchases a swaption. When the fund purchases a swaption, it risks losing only the amount of the premium it has paid should it decide to let the option expire unexercised. However, when the fund writes a swaption, it will become obligated, upon exercise of the option, according to the terms of the underlying agreement.

Because swaps are two-party contracts and because they may have terms of greater than seven days, swap agreements may be considered illiquid. Moreover, the funds bear the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. The funds will enter into swap agreements only with counterparties that meet certain standards of creditworthiness. Swap agreements also bear the risk that a fund will not be able to meet it payment obligations to the counterparty. Restrictions imposed by the tax rules applicable to regulated investment companies may limit the fund's abilities to use swap agreements. The swaps market is largely unregulated. It is possible that developments in the swaps market, including potential government regulation, could adversely affect the funds' ability to terminate existing swap agreements or to realize amounts to be received under such agreements.

GIrcpcqr P_rc Qu_nq* A_nq* _Ib Djmmpq In order to hedge the value of a fund's portfolio against interest rate fluctuations or to enhance a fund's income, a fund may enter into various transactions, such as interest rate swaps and the purchase or sale of interest rate caps and floors. Interest rate swaps are OTC contracts in which each party agrees to make a periodic interest payment based on an index or the value of an asset in return for a periodic payment from the other party based on a different index or asset. The purchase of an interest rate floor entitles the purchaser, to the extent that a specified index falls below a predetermined interest rate, to receive payments of interest on a notional principal amount from the party selling such interest rate floor. The purchase of an interest rate cap entitles the purchaser, to the extent that a specified index rises above a predetermined interest rate, to receive payments of interest on a notional principal amount from the party selling yield curves (i.e., wide differences between short-term and long-term interest rates). In an interest rate swap, a fund may exchange with another party their respective commitments to pay or receive interest (e.g., an exchange of fixed rate payments for floating rate payments). For example, if a fund holds a mortgage-backed security with an interest rate that is reset only once each year, it may swap the right to receive interest at this fixed rate for the right to receive interest at a rate that is reset every week. This would enable a fund to offset a decline in the value of the mortgage-backed security due to rising interest rates but would also limit its ability to benefit from falling interest rates. Conversely, if a fund holds a mortgage-backed security with an interest rate that is reset every week and it would like to lock in what it believes to be a high interest rate for one year, it may swap the right to receive interest at this variable weekly rate for the right to receive interest at a rate that is fixed for one year. Such a swap would protect the fund from a reduction in yield due to falling interest rates and may permit the fund to enhance its income through the positive differential between one-week and one-year interest rates, but would preclude it from taking full advantage of rising interest rates.

A fund usually will enter into interest rate swap transactions on a net basis (i.e., the two payment streams are netted against one another with the fund receiving or paying, as the case may be, only the net amount of the two payment streams). Typically the parties with which a fund will enter into interest rate transactions will be broker-dealers and other financial institutions. Certain classes of interest rate swaps are required to be cleared by Derivatives Clearing Organizations registered with the CFTC.

A fund may also enter into opposite sides of multiple interest rate swaps with respect to the same underlying reference instrument where such swaps have different effective dates with respect to interest accrual time periods. Such "paired swap transactions" may generate distributable gains (which may be characterized as ordinary income for tax purposes). In such transactions, the fund would generally enter into one or more interest rate swap agreements in which it would agree to make regular payments starting at the time the fund entered into the agreements and also enter into one or more agreements on the same underlying instrument but take the opposite position. For example, when the fund enters into such an agreement, it could initially exchange floating interest rate payments in return for fixed rate payments (gIgrg_j jce). It could then enter into a subsequent agreement on the same underlying instrument exchanging fixed rate payments in return or floating interest rate payments (dmpu_pb jce). The fund may use paired swap transactions to capitalize on differences between short-term and long-term interest rates and to generate current, distributable income even if such transactions could reduce a fund's NAV. For example, a portion of a fund's distributions may be sourced from paired swap transactions that produced current distributable ordinary income for tax purposes on the initial leg. The fund could then realize a capital loss on the forward leg to the extent that there is not a corresponding offsetting capital gain from other sources. If a fund generates capital losses without corresponding offsetting capital gains, portions of the fund's distributions recognized as ordinary income for tax purposes (such as from paired swap transactions) may be economically similar to a taxable return of capital when considered together with such capital losses.

If there is a default by the counterparty to an interest rate swap transaction, a fund will have contractual remedies pursuant to the agreements related to the transaction. Caps and floors, however, have lower overall liquidity than swaps. Certain federal income tax requirements may limit a fund's ability to engage in certain interest rate transactions. Gains from transactions in interest rate swaps distributed to shareholders will generally be taxable as ordinary income or, in certain circumstances, as long-term capital gains to shareholders.

Apcbgr Bcd_sjr Qu_n ?epcckcIrq _Ib Qgkgj_p GIqrpskcIrq Certain funds may enter into credit default swap agreements and similar agreements and may also buy other credit-linked derivatives. The credit default swap agreement or similar instrument may have as reference obligations one or more securities that are not currently held by a fund.

A fund may be either the buyer or seller in a credit default swap transaction. If a fund is a buyer and no credit event occurs, the fund recovers nothing if the swap is held through its termination date. However, if a credit event occurs, the fund may elect to receive the full notional value of the swap in exchange for an equal face amount of deliverable obligations of the reference entity that may have little or no value. As a seller, a fund generally receives an upfront payment or a fixed rate of income throughout the term of the swap, which typically is between six months and three years, provided that there is no credit event. If a credit event occurs, generally the seller must pay the buyer the full notional value of the swap in exchange for an equal face amount of deliverable obligations of the reference entity that may have little or no value.

Credit default swaps and similar instruments involve greater risks than if a fund had invested in the reference obligation directly since, in addition to general market risks, they are subject to illiquidity risk, counterparty risk, and credit risk. A buyer also will lose its investment and recover nothing should no credit event occur and the swap is held to its termination date. There may also be disputes between the buyer and seller of a credit default swap agreement or within the swaps market as a whole as to whether a credit event has occurred or what the payment should be. Such disputes could result in litigation or other delays, and the outcome could be adverse for the buyer or seller. If a credit event were to occur, the value of any deliverable obligation received by the seller, coupled with the up front or periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the fund. When a fund acts as a seller of a credit default swap or a similar instrument, it is exposed to many of the same risks of leverage since, if a credit event occurs, the seller may be required to pay the buyer the full notional value of the contract net of any amounts owed by the buyer related to its delivery of deliverable obligations.

Rmr_j Pcrspl Qu_n ?epcckclrq Total return swap agreements are contracts in which one party agrees to make periodic payments to another party based on the change in market value of the assets underlying the contract, which may include a specified security, basket of securities, or securities indices during the specified period, in return for periodic payments based on a fixed or variable interest rate or the total return from other underlying assets. Total return swap agreements may be used to obtain exposure to a security or market without owning or taking physical custody of such security or investing directly in such market. Total return swap agreements may effectively add leverage to the fund’s portfolio because, in addition to its total net assets, the fund would be subject to investment exposure on the notional amount of the swap.

Total return swap agreements are subject to the risk that a counterparty will default on its payment obligations to the fund thereunder. Swap agreements also bear the risk that the fund will not be able to meet its obligation to the counterparty. Generally, the fund will enter into total return swaps on a net basis (i.e., the two payment streams are netted against one another with the fund receiving or paying, as the case may be, only the net amount of the two payment streams).

There are other types of securities that are or may become available that are similar to the foregoing, and the funds may invest in these securities.

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The funds may use currency derivatives for a variety of purposes, such as, but not limited to, settling trades in a foreign currency, attempting to protect a fund’s holdings from unfavorable changes in currency exchange rates, enhance returns, and various currency hedging techniques (e.g., gaining exposure to a currency expected to appreciate in value versus other currencies). The currency derivatives may include currency futures, options, or swaps. Currency forwards are described in detail below.

Dmpcgel Cvaf_lec Rp_lq_argmlq A fund may engage in spot and forward foreign exchange transactions and currency swaps, purchase and sell options on currencies, and purchase and sell currency futures and related options thereon (collectively, “Asppclaw cm l’n dqsa l’n " } p_qc _lb &p-ł l’q!

portfolio position of the fund is denominated or by purchasing a currency in which the fund anticipates acquiring a portfolio position in the near future. A fund may also hedge portfolio positions through other types of currency derivatives. A fund may also engage in proxy hedging transactions to reduce the effect of currency fluctuations on the value of existing or anticipated holdings of portfolio securities. Proxy hedging is often used when the currency to which the fund is exposed is difficult to hedge or to hedge against the dollar. Proxy hedging entails entering into a forward contract to sell a currency whose changes in value are generally considered to be linked to a currency or currencies in which some or all of the fund's securities are, or are expected to be, denominated, and to buy U.S. dollars. Proxy hedging involves some of the same risks and considerations as other transactions with similar instruments. Currency transactions can result in losses to the fund if the currency being hedged fluctuates in value to a degree or in a direction that is not anticipated. In addition, there is the risk that the perceived linkage between various currencies may not be present or may not be present during the particular time that a fund is engaged in proxy hedging. A fund may also cross-hedge currencies by entering into forward contracts to sell one or more currencies that are expected to decline in value relative to other currencies to which the fund has or to which the fund expects to have portfolio exposure. For example, a fund may hold both Canadian government bonds and Japanese government bonds, and T. Rowe Price may believe that Canadian dollars will deteriorate against Japanese yen. This strategy would be a hedge against a decline in the value of Canadian dollars, although it would expose the fund to declines in the value of the Japanese yen relative to the U.S. dollar. Forward foreign exchange transactions involve substantial currency risk and also involve credit and illiquidity risk. A fund may also hedge a currency by entering into a transaction in a Currency Instrument denominated in a currency other than the currency being hedged (a "apmqq+fcbec").

Some of the forward foreign currency contracts entered into by the funds are classified as non-deliverable forwards (LBDq). NDFs are cash-settled, short-term forward contracts that may be thinly traded or are denominated in non-convertible foreign currency, where the profit or loss at the time at the settlement date is calculated by taking the difference between the agreed-upon exchange rate and the spot rate at the time of settlement, for an agreed-upon notional amount of funds. All NDFs have a fixing date and a settlement date. The fixing date is the date at which the difference between the prevailing market exchange rate and the agreed-upon exchange rate is calculated. The settlement date is the date by which the payment of the difference is due to the party receiving payment. NDFs are commonly quoted for time periods of one month up l' is e γ ɔ א ǯ D γ ƙ ļ / ˉ ! ˛ ʎ ɥ v /are the contract period, and the market conditions then prevailing. Since transactions in foreign currency exchange usually are conducted on a principal basis, no fees or commissions are involved.

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Certain funds may purchase and write options in combination with futures or forward contracts, to adjust the risk and return characteristics of the overall position. For example, a fund may purchase a put option and write a call option on the same underlying instrument, in order to construct a combined position whose risk and return characteristics are similar to selling a futures contract. Another possible combined position would involve writing a call option at one strike price and purposes. Generally, a loss on any position in a straddle will be subject to deferral to the extent of any unrealized gain in an offsetting position. For securities that were held for one year or less at inception of the straddle, the holding period may be deemed not to begin until the straddle is terminated. If securities comprising a straddle have been held for more than one year at inception of the straddle, losses on offsetting positions may be treated as entirely long-term capital losses even if the offsetting positions have been held for less than one year. However, a fund may choose to comply with certain identification requirements for offsetting positions that are components of a straddle. Losses with respect to identified positions are not deferred: rather the basis of the identified position that offsets the loss position is increased.

In order for the funds to continue to qualify for federal income tax treatment as regulated investment companies, at least 90% of their gross income for a taxable year must be derived from qualifying income, e.g., generally dividends, interest, income derived from loans of securities, and gains from the sale of securities or currencies. Tax regulations could be issued limiting the extent to which the net gain realized from options, futures, swaps, or forward foreign exchange contracts on currencies is qualifying income for purposes of the 90% requirement. The funds may also enter into swaps referencing commodities, commodity indices, or commodity exchange-traded funds. The income or gains from such commodity swaps may not be qualifying income for purposes of the 90% requirement.

Entering into certain derivatives may result in a "constructive sale" of offsetting stocks or debt securities of the funds. In such a case, the funds will be required to realize gain, but not loss, on the deemed sale of such positions as if the position were sold on that date. The funds may also enter into short sales of securities directly or through the use of options. Any gains or losses from short sales are typically treated as short-term capital gains or losses, as the case may be. As a result, a fund's ordinary dividends subject to ordinary income tax rates may be increased or decreased by such gains or losses.

For certain derivatives the IRS has not issued comprehensive rules relating to the timing and character of income and gains realized on such contracts. It is possible that new tax legislations and new IRS regulations could result in changes to the amounts recorded by the funds, potentially resulting in tax consequences to the funds.

PORTFOLIO MANAGEMENT PRACTICES

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The Price Advisers integrate environmental, social, and governance (CQE) factors into its investment research processes for certain funds and investments, with a focus on the ESG factors considered most likely to have a material impact on the performance of the holdings in a fund's portfolio. The funds' analysts and portfolio managers have primary responsibility for integrating ESG considerations into investment decisions and are supported by a team of dedicated in-house ESG specialists. The ESG specialists have developed a proprietary research tool to establish a comprehensive process for evaluating ESG factors across investments, including a model that systematically and proactively screens and evaluates the responsible investing profile of companies and other issuers using multiple data sets from internal sources, company reports, and select third-party providers. The evaluation of ESG factors is unique for each asset class based on the relevant ESG characteristics and level of available data, and is highly dependent on the country, industry, company, and management of the investment being analyzed. For certain types of investments, including, but not limited to, cash, currency positions, and particular types of derivatives, an ESG analysis may not be relevant or possible due to a lack of data. We may conclude that other attributes of an investment outweigh ESG considerations when making investment decisions for a fund. As a result, the particular factors considered with each investment in the research process will vary, but may include the following:

- Long-term environmental considerations, such as regulation and the availability and costs of raw materials, water, energy;
- A company's incentive structure and how closely aligned it is with stated corporate strategy;
- Supply chain risks, work stoppages, and labor controversies;
- The quality and diversity of a company's Board;
- The current and potential regulatory environment, particularly with respect to highly regulated industries or controversial situations; and

- The relative quality of a company's disclosures, its degree of focus on investors' interests, and its philosophy regarding stakeholder communications and engagement.

The ESG factors discussed herein may not be applied or analyzed with respect to each issuer or security invested in by the fund. A fund may underperform other similar funds that do not apply or analyze ESG factors in the investment process. A fund may invest in issuers or securities that do not reflect the views of any particular investor's views of ESG. To the extent T. Rowe Price uses third-party vendor services and/or its own proprietary research platform, such resulting data may not be sufficiently available, complete, or accurate and thus could negatively affect the fund's performance.

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As a means of earning additional income, the funds may lend their portfolio securities to broker-dealers, institutional investors, or other persons pursuant to agreements requiring that the loans be continuously secured by collateral at least equal at all times to the value of the securities lent, marked to market on a daily basis. The collateral received will consist of cash, U.S. government securities, letters of credit, or such other collateral as may be permitted under the funds' investment programs. The collateral, in turn, is invested in short-term securities, including shares of a T. Rowe Price internal money market fund. While the securities are being lent, the funds making the loan will continue to receive the equivalent of the reasonable interest and the dividends or other distributions paid by the issuer on the securities, as well as a portion of the interest on the investment of the collateral. Normally, the funds employ an agent to implement their securities lending

this SAI will not include collateral held in connection with securities lending activities. For purposes of the tax diversification test, calculation of the funds' total assets will include investments made with cash received by the funds as collateral for securities loaned.

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As a matter of fundamental policy, the funds may not:

&/' @mppmugle Borrow money, except that the funds may (i) borrow for non-leveraging, temporary, or emergency purposes; and (ii) engage in reverse repurchase agreements and make other investments or engage in other transactions, which may involve a borrowing, in a manner consistent with the funds' investment objectives and programs, provided that the combination of (i) and (ii) shall not exceed 33⅓% of the value of the funds' total assets (including the amount borrowed) less liabilities (other than borrowings) or such other percentage permitted by law. Any borrowings that come to exceed this amount will be reduced in accordance with applicable law. The funds may borrow from banks, other Price Funds, or other persons to the extent permitted by applicable law;

&0' Amk kmbgrgcq &?jj Ds l bq' Purchase or sell commodities, except to the extent permitted by applicable law;

&1' &_' Glbsqrpw Amlac lrp_rgml &?jj Ds l bq Cvacnr Fc_jrf Qagc lacq Nmprdmjgm' Purchase the securities of any issuer if, as a result, more than 25% of the value of the funds' net assets would be invested in the securities of issuers having their principal business activities in the same industry;

&`' Glbsqrpw Amlac lrp_rgml &Fc_jrf Qagc lacq Nmprdmjgm' Purchase the securities of any issuer if, as a result, more than 25% of the value of the fund's net assets would be invested in the securities of issuers having their principal business activities in the same industry, provided, however, that the fund will invest more than 25% of its net assets

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instruments but the funds may invest in any derivatives and other financial instruments that involve commodities or represent interests in commodities to the extent permitted by the 1940 Act or other applicable law.

?jj T_pg_`jc GIqsp_Iac Nmprdmjgmq For purposes of investment restriction (3):

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&6' Mgj _lb E_q Npmep_kq Purchase participations or other direct interests in or enter into leases with respect to oil, gas, or other mineral exploration or development programs if, as a result thereof, more than 5% of the value of the total assets of the funds would be invested in such programs;

&7' Qfmpr Q_jcq Effect short sales of securities;

&/.' U_pp_lrq Invest in warrants if, as a result, more than 10% of the value of the fund's net assets would be invested in warrants;

&//' &_' Dmpcgel Qcaspgrgcq &Fc_jrf Qagclacq Nmprdmjgm' Invest in foreign securities if, as a result, more than 35% of the fund's total assets would be invested in such instruments;

&`' Dmpcgel Qcaspgrgcq &@jsc Afgn Epmurf* Cosgrw Glamkc* _lb Kgb+A_n Epmurf Nmprdmjgmq' Invest in foreign securities if, as a result, more than 25% of the fund's total assets would be invested in such instruments;

&a' Dmpcgel Qcaspgrgcq &?jj+A_n Mnnmprslgrgcq Nmprdmjgm' Invest in foreign securities if, as a result, more than 15% of the fund's total assets would be invested in such instruments;

&b' Dmpcgel Qcaspgrgcq &Jgkgrcb+Rcpk @mlb Nmprdmjgm' Invest in non-U.S. dollar-denominated debt instruments if, as a result, more than 15% of its total assets (excluding reserves) would be invested in such instruments;

&/0' &_' @cjmu Gltcqrkclr+Ep_bc Glqrpskclrq &@jsc Afgn Epmurf* Cosgrw Glamkc* _lb Jgkgrcb+Rcpk @mlb Nmprdmjgmq' Invest in below-investment grade instruments if, as a result, more than 10% of the fund's total assets would be invested in such instruments. The fund's investments in convertible securities are not subject to this limit;

&`' @cjmu Gltcqrkclr+Ep_bc Glqrpskclrq &Kmbcp_rc ?jjma_rgml Nmprdmjgm' Invest in below-investment grade instruments if, as a result, more than 25% of the fund's total assets would be invested in such instruments. Any investments in convertible securities are not subject to this limit;

&/1' ?qqcr+ _lb kmpre_ec+`_aicb qcaspgrgcq &Jgkgrcb+Rcpk @mlb _lb Kmbcp_rc ?jjma_rgml Nmprdmjgmq' Invest in stripped mortgage securities if, as a result, more than 10% of its total assets would be invested in such instruments;

&/2' Jm_l N_prgagn_rgmlq _lb ?qqgelkclrq &Jgkgrcb+Rcpk @mlb _lb Kmbcp_rc ?jjma_rgml Nmprdmjgmq' Invest in loan participations and assignments if, as a result, more than 10% of the fund's total assets would be invested in such instruments;

&/3' Xcpm Amsnml _lb N_w+gl+iglb @mlbq &Kmbcp_rc ?jjma_rgml Nmprdmjgm' Invest in zero coupon and pay-in-kind bonds if, as a result, more than 10% of its total assets would be invested in such securities;

&/4' Asppclaw Bcpgt_rgtcq &Jgkgrcb+Rcpk @mlb _lb Kmbcp_rc ?jjma_rgml Nmprdmjgmq' Commit more than 10% of total assets to any combination of currency derivatives;

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The following notes should be read in connection with the above-described operating policies. The notes are not operating policies.

For purposes of operating policy (4), an illiquid investment is an investment that a fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the security.

holding than the classification made by a third-party data provider in situations where, among other things, the data provider s classification does not accurately reflect the company s country of risk, location of management or primary operations, or country with the most sales or revenues or the country classification is deemed to no longer be appropriate (such as significant changes to the company s business or operations that were not yet taken into consideration by the data provider). If a particular holding is assigned a country by T. Rowe Price and no third-party data provider has assigned that same country, that holding will not be included toward a fund s 80% investment policy.

Notwithstanding anything in the previously listed fundamental restrictions and operating policies to the contrary, the funds may invest all of their assets in a single investment company or a series thereof in connection with a master-feeder arrangement. Such an investment would be made where the funds (a Feeder), and one or more other funds with the same investment objective and program as the funds, sought to accomplish their investment objectives and programs by investing all of their assets in the shares of another investment company (the Master). The Master would, in turn, have the same investment objective and program as the funds. The funds would invest in this manner in an effort to achieve the economies of scale associated with having a Master fund make investments in portfolio companies on behalf of a number of Feeder funds.

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In addition to the fundamental restrictions and operating policies previously described, some foreign countries limit or prohibit all direct foreign investment in the securities of their companies. However, P-notes may sometimes be used to gain access to these markets. In addition, the governments of some countries have authorized the organization of investment funds to permit indirect foreign investment in such securities. For tax purposes, these funds may be known as Passive Foreign Investment Companies.

CUSTODIAN AND FUND ACCOUNTING

State Street Bank and Trust Company (Qr_rc Qrpccr @_ l i) is the custodian for the funds' U.S. securities and cash, but it does not participate in the funds' investment decisions. Portfolio securities purchased in the United States are maintained in the custody of the bank and may be entered into the Federal Reserve Book Entry System, the security depository system of the Depository Trust Corporation, or any central depository system allowed by federal law. In addition, funds investing in municipal securities are authorized to maintain certain of their securities, in particular, variable rate demand notes, in

From time to time, officers of the funds, the funds' investment adviser (and investment subadviser, if applicable) or the funds' distributor (collectively, "RPN") may express their views orally or in writing on one or more of the funds' portfolio securities or may state that the funds have recently purchased or sold one or more securities. Such views and statements may be made to members of the press; shareholders in the funds, persons considering investing in the funds, or representatives of such shareholders or potential shareholders, such as fiduciaries of a 401(k) plan or a trust and their advisers; and rating and ranking organizations such as Lipper Inc. and Morningstar, Inc. The nature and content of the views and statements provided to each of these persons may differ. The securities subject to these views and statements may be ones that were purchased or sold since the funds' most recent quarter-end and therefore may not be reflected on the list of the funds' most recent quarter-end portfolio holdings disclosed on the website.

Additionally, TRP may provide oral or written information (nmprdmjgm am k k c l r_pw) about the funds, including, but not limited to, how the funds' investments are divided among various sectors, industries, and countries; value and growth stocks; and small-, mid-, and large-cap stocks and among stocks, bonds, currencies, and cash; types of bonds; bond maturities; bond coupons; and bond credit quality ratings. This portfolio commentary may also include information on how these various weightings and factors contributed to fund performance. TRP may also provide oral or written information (qr_rgqrga_j g l dmp k _rgm l) about various financial characteristics of the funds or their underlying portfolio securities, including, but not limited to, alpha, beta, R-squared, duration, maturity, information ratio, Sharpe ratio, earnings growth, payout ratio, price/book value, projected earnings growth, return on equity, standard deviation, tracking error, weighted average quality, market capitalization, percent debt to equity, price to cash flow, dividend yield or growth, default rate, portfolio turnover, and risk and style characteristics. This portfolio commentary and statistical information about the funds may be based on the funds' most recent quarter-end portfolio or on some other interim period such as month-end. The portfolio commentary and statistical information may be provided to members of the press; shareholders in the funds; persons considering investing in the funds; or representatives of such shareholders or potential shareholders, such as fiduciaries of a 401(k) plan or a trust and their advisers; and rating and ranking organizations. The content and nature of the information provided to each of these persons may differ.

TRP may provide aggregate liquidity metrics based on publicly disclosed portfolio holdings to shareholders or any non-shareholder whose request satisfies or serves a legitimate business purpose for the applicable fund. Any other aggregate liquidity metrics require legal or compliance approval and cannot be disclosed without an agreement with the recipient party under which the party undertakes to maintain the funds' portfolio holdings on a confidential basis and to refrain from trading on the basis of the information.

None of the persons described above will receive any of the information described above if, in the sole judgment of TRP, the information could be used in a manner that would be harmful to the funds. The T. Rowe Price Code of Ethics contains a provision to this effect.

TRP also discloses portfolio holdings in connection with the day-to-day operations and management of the funds. Complete portfolio holdings are disclosed to the funds' custodians, accounting vendors, and auditors. Portfolio holdings are disclosed to the funds' pricing service vendors and other persons who provide systems or software support in connection with fund operations, including accounting, compliance support, and pricing. Portfolio holdings may also be disclosed to persons assisting the funds in the voting of proxies. In connection with managing the funds, the funds' investment advisers and investment subadvisers may use analytical systems provided by third parties who may have access to the funds' portfolio holdings. Insurance companies that offer shares of the certain Price Funds through variable annuity or variable life insurance contracts receive complete portfolio holdings of applicable Price Funds in order for these companies to comply with certain SEC rules. In all of these situations, the funds or TRP have entered into an agreement with the outside party under which the party undertakes to maintain the funds' portfolio holdings on a confidential basis and to refrain from trading on the basis of the information. TRP relies on these nondisclosure agreements in determining that such disclosures are not harmful to the funds. The names of these persons and the services they provide are set forth in the following table under "Fund Service Providers" with any additions to the list approved by specified employees of TRP.

In certain limited situations, T. Rowe Price may provide nonpublic portfolio holdings for a fund when T. Rowe Price believes that such disclosure serves a legitimate business purpose and will not be harmful to the fund. Examples include providing holdings to an institutional client (or its custodian or other agent) when the client is effecting a redemption in-kind from one of the Price Funds and in connection with trial agreements with risk analytics vendors, data providers, and other service providers in order to fully evaluate the value of their services. In these situations, T. Rowe Price makes it clear through nondisclosure agreements or other means that the recipient must ensure that the confidential information is used only as necessary to effect the redemption-in-kind or to allow T. Rowe Price to evaluate the services to be provided and that the recipient will not trade on the information and will maintain the information in a manner designed to protect against unauthorized access or misuse.

Additionally, when purchasing and selling its securities through broker-dealers, requesting bids on securities, obtaining price quotations on securities, as required by ratings and rankings organizations, as well as in connection with litigation involving the funds' portfolio securities, the funds may disclose one or more of their securities.

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used by the funds for valuing their own investments. The Valuation Designee will seek as much information as possible from the hedge fund in order to value its investment and determine the fair value of its interest in the hedge fund based on all relevant circumstances. This may include the most recent estimated NAV and estimated returns reported by the hedge fund, as well as accrued management fees and any other relevant information available at the time the fund values its assets.

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Investments for which market quotations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Designee, as defined by Rule 2a-5 of the 1940 Act. The Board has designated T. Rowe Price Associates, Inc. as the fund's valuation designee (T_js_rgm l Bcqge l cc). Subject to oversight by the Board, the Valuation Designee performs the following functions in performing fair value determinations: assesses and manages valuation risks; establishes and applies fair value methodologies; tests fair value methodologies; and evaluates pricing vendors and pricing agents. The duties and responsibilities of the Valuation Designee are performed by its Valuation Committee. The Valuation Designee provides periodic reporting to the Board on valuation matters.

The Valuation Designee has adopted methodologies for determining the fair value of investments for which market quotations are not readily available or deemed unreliable, including the use of other pricing sources. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Designee typically will afford the greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Designee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions. Fair value prices determined by the Valuation Designee could differ from those of other market participants, and it is possible that the fair value determined for a security may be materially different from the value that could be realized upon the sale of that security. The Price Funds rely on various sources to calculate their NAVs. The information may be provided by third parties that are believed to be reliable, but the information may not be accurate due to errors by fund accounting providers, pricing sources, technological issues, or otherwise.

NET ASSET VALUE PER SHARE

The purchase and redemption price of the funds' shares is equal to the funds' NAV per share or share price. The funds determine their NAV per share by subtracting their liabilities (including accrued expenses and dividends payable) from their total assets (the market value of the securities the funds hold plus cash and other assets, including income accrued but not yet received) and dividing the result by the total number of shares outstanding. The NAV per share of the funds is calculated as of the close of regular trading on the NYSE, normally 4 p.m. ET, every day the NYSE is open for trading. However, the NAV may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC.

Determination of NAV (and the offering, sale, redemption, and purchase of shares) for the funds may be suspended at times (a) during which the NYSE is closed, other than cusun$ γ Œ] w̄ ɥ Ό ӄ ɼ ǯ˜ ᵀ γ v /

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Certain Price Funds have filed with the SEC a notice of election under Rule 18f-1 of the 1940 Act. This election permits a fund to effect a redemption in-kind if, in any 90-day period, a shareholder redeems: (i) more than $250,000 from the fund or (ii) redeems more than 1% of the fund's net assets. If either of these conditions is met, the fund has the right to pay the difference between the redemption amount and the lesser of these two figures with securities from the fund's portfolio rather than in cash.

In the unlikely event a shareholder receives a redemption in-kind of portfolio securities from a fund, it would be the responsibility of the shareholder to dispose of the securities. The shareholder would be subject to the risks that the value of the securities could decline prior to their sale, the securities could be difficult to sell, and brokerage fees could be incurred.

The Price Funds may also redeem securities in-kind to certain affiliates according to procedures adopted by the Price Funds' Boards. The procedures generally require a pro-rata distribution of the fund's securities subject to certain limited exceptions. Securities that may be excluded from an in-kind distribution include, among others: private placements and other holdings that cannot be transferred or have other legal restrictions, such as certain types of derivatives; de minimis positions; positions being eliminated by the distributing fund and that will not be held by the receiving shareholder; and positions used as collateral. Any securities that are excluded from an in-kind distribution are not selected by either the affiliated shareholder nor any other party with the ability and the pecuniary incentive to influence the redemption in-kind.

Price Funds may also effect redemptions in-kind in an effort (a) to manage cash positions, (b) to mitigate certain costs that arise from significant redemption activity or from portfolio turnover in connection with any type of selling activity, including portfolio repositioning and cash raises (e.g., for distributions or redemptions), or (c) other portfolio management purposes. This practice may benefit a fund and its shareholders by reducing the need for a fund to maintain significant cash reserves and/or to sell securities held in the fund to meet redemption requests or other reasons. By doing so, a fund may avoid or reduce cash drag, transaction costs, and capital gain realization that could otherwise arise from reserves maintained or securities sold. There is a risk that this activity could negatively impact the NAV of the fund. With respect to these redemptions in-kind, shareholders will receive either a pro rata basket or a custom basket of securities valued in the same manner as they are valued for purposes of computing a fund's NAV. The custom basket would include only securities that have been disclosed as portfolio holdings in the fund's most recent public holdings disclosure.

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Transactions involving the issuance of fund shares for securities or assets other than cash will o ! $ š ^ Ť ability to adjust its portfolio. If, in any taxable year, a fund does not qualify as a regulated investment company under the Code: (1) the fund would be taxed at the normal corporate rates on the entire amount of its taxable income, if any, without a deduction for dividends or other distributions to shareholders; (2) the fund's distributions, to the extent made out of the fund's current or accumulated earnings and profits, would be taxable to shareholders as ordinary dividends regardless of whether they would otherwise have been considered capital gain dividends; (3) the fund's distributions may qualify for taxation at a reduced rate for non-corporate shareholders and for the deduction for dividends received by corporations; and (4) foreign tax credits and qualified REIT dividends, as explained in "Taxation of Fund Shareholders" below, would not "pass through" to shareholders. A fund may avoid losing its qualification as a regulated investment company under certain circumstances by using remedies provided in the Code, but such remedies may still result in a significant tax penalty to the fund.

To be entitled to the special tax benefits applicable to regulated investment companies, the funds will be required to distribute the sum of 90% of their investment company taxable income and 90% of their net tax-exempt income, if any, each year. The investment company taxable income may include income required to be accrued before the fund receives cash associated with such income (e.g., an original issue discount or market discount associated with debt obligations) and income or gains allocated from an investment in a partnership. In order to avoid federal income tax, the funds must distribute all of their investment company taxable income, including any accrued income, and realized long-term capital gains for each fiscal year within 12 months after the end of the fiscal year. To avoid federal excise tax, the funds must declare dividends by December 31 of each year equal to at least 98% of ordinary income (as of December 31) and 98.2% of capital gains (as of October 31) and distribute such amounts prior to February 1 of the following calendar year. In some cases, a fund may have to make additional dividend distributions on subsequently determined undistributed income for a prior tax year. Shareholders are required to include such distributions in their income for federal income tax purposes whether dividends and capital gain distributions are paid in cash or in additional shares. If a fund is not able to meet the distribution requirements, the fund may have to pay tax on the undistributed income.

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For individual shareholders, a portion of the funds' ordinary dividends representing "qualified dividend income" may be subject to tax at the lower rate applicable to long-term capital gains, rather than ordinary income. "Qualified dividend income" is composed of certain dividends received from domestic and qualified foreign corporations. It excludes dividends representing payments in lieu of dividends related to loaned securities, dividends received on certain hedged positions, dividends on nonqualified foreign corporations, and dividends on stocks the funds have not held for more than 60 days during the 121-day period beginning 60 days before the stock became ex-dividend (90 and 181 days for certain preferred stock). Individual shareholders can only apply the lower rate to the qualified portion of the funds' dividends if they have held the shares in the funds on which the dividends were paid for the holding period surrounding the ex-dividend date of the funds' dividends. Little, if any, of the ordinary dividends paid by the bond funds is expected to qualify for this lower rate.

For taxable years beginning after December 31, 2017 and before January 1, 2026, certain taxpayers, such as individuals, trusts and estates, may be eligible to claim, subject to limitations, a 20% federal income tax deduction for certain qualified business income, including "qualified REIT dividends" from REITs and "qualified publicly traded partnership income" from publicly traded partnerships (

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Upon the sale or exchange of your shares in a fund, you will realize a taxable gain or loss equal to the difference between the amount realized and your basis in the shares. A redemption of shares by a fund will be treated as a sale for this purpose. Such gain or loss will be treated as capital gain or loss if the shares are capital assets in your hands and will be long-term capital gain or loss if the shares are held for more than one year and short-term capital gain or loss if the shares are held for one year or less. Any loss realized on a sale or exchange will be disallowed to the extent the shares disposed of are replaced, including replacement through the reinvesting of dividends and capital gains distributions in the fund, within a 61-day period beginning 30 days before and ending 30 days after the disposition of the shares. In such a case, the basis of the shares acquired will be increased to reflect the disallowed loss. Any loss realized by a shareholder on the sale of a fund share held by the shareholder for six months or less will be treated for U.S. federal income tax purposes as a long-term capital loss to the extent of any distributions or deemed distributions of long-term capital gains received by the shareholder with respect to such share during such six-month period.

Net investment income, including interest, dividends, and capital gains, derived by U.S. individuals with income exceeding certain thresholds and certain estates and trusts may be subject to additional income taxes.

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Foreign shareholders may be subject to U.S. tax on the sale of shares in any fund, or on distributions of ordinary income and/or capital gains realized by a fund, depending on a number of factors, including the foreign shareholder's country of tax residence, its other U.S. operations (if any), and the nature of the distribution received. Foreign shareholders should consult their own tax adviser to determine the precise U.S. and local tax consequences to an investment in any fund.

A 30% withholding tax is currently imposed on all or a portion of any dividends paid, but not on gross proceeds from a fund redemption (until further guidance to the contrary is issued by the U.S. government) to: (i) foreign financial institutions, including non-U.S. investment funds and trusts, unless they agree to collect and disclose to the IRS, or in certain cases to their country of residence, information regarding their direct and indirect U.S. account holders or are exempt from these requirements and certify as such and (ii) certain other foreign entities unless they certify certain information regarding their direct and indirect U.S. owners. To avoid withholding, nonexempt foreign financial institutions will need to enter into agreements with the IRS (unless resident in a country that provides for an alternative regime through an intergovernmental agreement with the U.S.) stipulating that they will provide the IRS with certain information (including name, address, and taxpayer identification number) for direct and indirect U.S. account holders,

ordinary income or losses. The funds will be required to distribute any resulting income, even though they have not sold the security and received cash to pay such distributions.

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Special tax rules may apply to the funds' investments in entities that invest in or finance mortgage debt. Such investments include residual interests in real estate mortgage investment conduits and interests in a REIT that qualifies as a taxable mortgage pool under the Code or has a qualified REIT subsidiary that is a taxable mortgage pool under the Code. Although it is the practice of the funds not to make such investments, there is no guarantee that the funds will be able to sustain this practice or avoid an inadvertent investment.

Such investments may result in the funds receiving excess inclusion income (CGG) in which case a portion of its distributions will be characterized as EII and shareholders receiving such distributions, including shares held through nominee accounts, will be deemed to have received EII. This can result in the funds being required to pay tax on the portion allocated to disqualified organizations: certain cooperatives, agencies, or instrumentalities of a government or international organization and tax-exempt organizations that are not subject to tax on unrelated business taxable income. In addition, such amounts will be treated as unrelated business taxable income to tax-exempt organizations that are not disqualified organizations and will be subject to a 30% withholding tax for shareholders who are not U.S. persons, notwithstanding any exemptions or rate reductions in any relevant tax treaties.

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A fund may invest in partnerships, including private partnerships and publicly-traded partnerships. In the case of investing in a private partnership, a fund would typically invest through a wholly owned subsidiary. An investment in such partnerships may subject the fund or its wholly owned subsidiaries to tax filing and payment obligations in multiple jurisdictions and increase the fund's tax compliance risk and burden. In some cases, the fund may have exposure to the partnership's tax liabilities after its sale of the partnership interests. Such tax exposure could reduce the fund's return to its shareholders.

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For tax information on certain derivatives, such as options, futures, and forward foreign exchange contracts, please see the "Federal Tax Treatment of Certain Derivatives" section in this SAI.

CAPITAL STOCK

All of the funds are organized as Maryland corporations (Ampnmp_rgmlq) or series thereof. The funds' charters authorize the Boards to classify and reclassify any and all shares that are then unissued, including unissued shares of capital stock into any number of classes or series, each class or series consisting of such number of shares and having such designations, such powers, preferences, rights, qualifications, limitations, and restrictions as shall be determined by the Boards subject to the 1940 Act and other applicable law. The shares of any such additional classes or series might therefore differ from the shares of the present class and series of capital stock and from each other as to preferences, conversions, or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms or conditions of redemption, subject to applicable law, and might thus be superior or inferior to the capital stock or to other classes or series in various characteristics. The Boards may increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that the funds have authorized to issue without shareholder approval.

Except to the extent that the funds' Boards might provide that holders of shares of a particular class are entitled to vote as a class on specified matters presented for a vote of the holders of all shares entitled to vote on such matters, there would be no right of class vote unless and to the extent that such a right might be construed to exist under Maryland law. The

Shareholders are entitled to one vote for each full share held (and fractional votes for fractional shares held) and will vote

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T. Rowe Price Investment Management, Inc. (RPNGK) views proxy voting as integral to its investment management responsibilities. Certain investment advisory clients of TRPIM, including U.S.-registered investment companies which TRPIM serves as investment adviser have delegated to TRPIM certain proxy voting powers. TRPIM seeks to vote all proxies of the securities held in client accounts for which it has proxy voting authority in the best interest of those clients.

Fiduciary Responsibilities and Voting Considerations. TRPIM believes that it has a fiduciary obligation to vote proxies recommendations. Instead, in order to reflect TRPIM's issue-by-issue voting guidelines as approved by the TRPIM ESG Investing Committee, ISS maintains and implements custom voting policies for TRPIM's advisory clients that have given it proxy voting authority.

TRPIM utilizes ISS' voting agent services to notify us of upcoming shareholder meetings for portfolio companies held in client accounts and to transmit votes to the various custodian banks of our clients. ISS tracks and reconciles our clients' holdings against incoming proxy ballots. If ballots do not arrive on time, ISS procures them from the appropriate custodian or proxy distribution agent. Meeting and record date information is updated daily and transmitted to TRPIM through ProxyExchange, an ISS application.

Each day, ISS delivers into TRPIM's customized ProxyExchange environment a comprehensive summary of upcoming meetings, proxy proposals, publications discussing key proxy voting issues, and custom vote recommendations to assist us with proxy research and processing. The final authority and responsibility for proxy voting decisions remains with TRPIM.

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The TRPIM ESG Investing Committee is also responsible for monitoring and resolving potential material conflicts between the interests of TRPIM or its affiliates and those of its clients with respect to proxy voting. We have adopted safeguards to ensure that our proxy voting is not influenced by interests other than those of our investment advisory clients. Membership on the Committee does not include individuals whose primary duties relate to client relationship management, marketing, or sales. Since our voting guidelines are predetermined by the Committee, application of the guidelines by portfolio managers to vote client proxies should in most instances adequately address any potential conflicts of interest. However, the Committee regularly reviews all proxy votes that are inconsistent with the proxy voting guidelines to determine whether the portfolio manager's voting rationale appears reasonable. The Committee also assesses whether any business or other material relationships between TRPIM and a portfolio company (unrelated to the ownership of the portfolio company's securities) could have influenced an inconsistent vote on that company's proxy. Issues raising potential conflicts of interest are referred to designated members of the Committee for immediate resolution prior to the vote.

With respect to personal conflicts of interest, the firm's Global Code of Conduct requires all employees to avoid placing themselves in a "compromising position" in which their interests may conflict with those of our clients and restrict their

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Proxy voting for our fixed income portfolios is administered by the Global Proxy Operations team using TRPIM’s guidelines as set by the TRPIM ESG Investing Committee. Fixed income strategies generally follow the proxy vote determinations on security holdings held by our equity accounts unless the matter is specific to a particular fixed income security such as consents, restructurings, or reorganization proposals.

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Shareblocking is the practice in certain countries of “freezing” shares for trading purposes in order to vote proxies relating to those shares. In markets where shareblocking applies, the custodian or sub-custodian automatically freezes shares prior to a shareholder meeting once a proxy has been voted. Our policy is generally to refrain from voting shares in shareblocking countries unless the matter has compelling economic consequences that outweigh the temporary loss of liquidity in the blocked shares.

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The Price Funds and our institutional clients may participate in securities lending programs to generate income for their portfolios. Generally, the voting rights pass with the securities on loan; however, lending agreements give the lender the right to terminate the loan and pull back the loaned shares provided sufficient notice is given to the custodian bank in advance of the applicable deadline. TRPIM’s policy is generally not to vote securities on loan unless we determine there is a material voting event that could affect the value of the loaned securities. In this event, we have the discretion to pull back the loaned securities for Price Funds in order to cast a vote at an upcoming shareholder meeting. A monthly monitoring process is in place to review securities on loan for Price Funds and how they may affect proxy voting.

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TRPIM’s parent holding company, T. Rowe Price Group, Inc. has obtained relief from the U.S. Federal Reserve Board (the “DP@ Pcjgcd”) which permits, subject to a numta$ Wγ v/אя l’ l/ESo D נ T я

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?__–Bonds rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as “gilt edged.”

?_–Bonds rated Aa are judged to be of high quality by all standards. Together with the Aaa group, they compose what are generally known as high-grade bonds.

?–Bonds rated A possess many favorable investment attributes and are to be considered as upper-medium-grade obligations.

@__–Bonds rated Baa are considered as medium-grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments and principal security appear adequate for the present, but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

@_–Bonds rated Ba are judged to have speculative elements: Their futures cannot be considered as well assured. Often the protection of interest and principal payments may be very moderate and therefore not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class.

@–Bonds rated B generally lack the characteristics of a desirable investment. Assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small.

A__–Bonds rated Caa are of poor standing. Such issues may be in default, or there may be present elements of danger with respect to repayment of principal or payment of interest.

A_–Bonds rated Ca represent obligations that are speculative in a high degree. Such issues are often in default or have other marked shortcomings.

A–Bonds rated C represent the lowest rated and have extremely poor prospects of attaining investment standing.

LN–Issuers (or supporting institutions) rated Not Prime do not fall within any $ $$ Ď ű ľ ŧ in through collateral, security, or direct lien on specific property. Sinking funds or voluntary reduction of debt by call or purchase are often factors, while guarantee or assumption by parties other than the original debtor may influence the rating.

??–Of safety virtually beyond question and readily salable. Their merits are not greatly unlike those of AAA class, but a bond so rated may be junior, though of strong lien, or the margin of safety is less strikingly broad. The issue may be the obligation of a small company, strongly secured, but influenced as to rating by the lesser financial power of the enterprise