prospectuses issued by the insurance companies. The funds assume no responsibility for any insurance company prospectuses or variable annuity or variable life insurance contracts.

The financial statements and Report of Independent Registered Public Accounting Firm of the funds included in each fund's annual report, when available, are incorporated into this SAI by reference.

(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.

Set forth below is a brief discussion of the specific experience, qualifications, attributes, or skills of each current director or Advisory Board member as well as former directors who served on the Board during 2022, that led to the conclusion that

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 serves on the Board of Directors of the Real Estate Roundtable and the 2022 Executive Board of the National Association of Real Estate Investment Trusts (L_pcgr). He 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

Independent Directors and Advisory Board Members[(a)]

Name, Year of Birth, and Number of Portfolios in Fund Complex Overseen by Director	Principal Occupation(s) During Past Five Years	Directorships of Public Companies and Other Investment Companies During Past Five Years
Teresa Bryce Bazemore /737 0/. nmprdmjgmq	Npcqgbclr _lb Afgcd Cvcasrgtc Mddgacp* Dcbcp_j Fmkc Jm_l @_li md Q_l Dp_lagqam &0.0/ rm npcqclr'9 Afgcd Cvcasrgtc Mddgacp* @_xc kmpc AmIqsjrgle JJA &0./6 rm 0.0/'	Afgkcp_ GItcqrkclr Ampnmp_rgmI &0./5 rm 0.0/'9 Dgpqr GIbsqrpg_j Pc_jrw Rpsqr &0.0. rm npcqclr'9 Dcbcp_j Fmkc Jm_l @_li md

Below is a table that sets forth certain information, as of March 31, 2023, concerning each person deemed to be an officer of the Price Funds.

Officers

Fund	Name	Position Held With Each Fund
?jj Dslbq	B_tgb Mcqrpcgafcp	Bgpcarmp* Npglagn_j Cvcasrgtc Mddgacp* _lb Cvcasrgtc Tgac Npcqgbclr
	?j_l Q, Bsnqig	Npglagn_j Dgl_lagj Mddgacp* Tgac Npcqgbclr* _lb Rpc_qspcp
	Pgaf_pb Qcllcrr	?qqgqr_lr Rpc_qspcp
	?pk_lbm &Bglm' A_n_qqm	Afgcd Amknjg_lac Mddgacp
	E_pw H, Epc`	Tgac Npcqgbclr
	Afcpwj F_knrml	Tgac Npcqgbclr
	@clh_kgl Icpqqc	Tgac Npcqgbclr
	N_sj H, Ipse	Tgac Npcqgbclr
	Dp_l K, Nmjj_ai+K_rx	Tgac Npcqgbclr _lb Qcapcr_pw

Fund	Name	Position Held With Fund
Glrcpl_rgml_j Qcpgcq	Hsqrgl Rfmkqml	Npcqgbclr
Glrcpl_rgml_j Qrmai Nmprdmjgm	Pgaf_pb L, Aj_rrcl`spe	Cvcasrgtc Tgac Npcqgbclr
	K_jgi Q_pk_b ?qgd	Tgac Npcqgbclr
	F_pgqf_li_p @_jipgqfl_	Tgac Npcqgbclr
	Qfccl_ J, @_p`mq_	Tgac Npcqgbclr
	H_g l_n_bg_	Tgac Npcqgbclr
	Rm`g_q D_`g_l Kscjjcp	Tgac Npcqgbclr
	Mjsu_qcsl Mwcesljc	Tgac Npcqgbclr
	Hmfl Pmujcq	Tgac Npcqgbclr
	Qc`_qrg_l Qafpmrr	Tgac Npcqgbclr
	@gl Qfcl	Tgac Npcqgbclr
	Cplcqr A, Wcsle	Tgac Npcqgbclr
	$ l'	

Name, Year of Birth, and Principal Occupation(s) During Past Five Years	Position(s) Held With Fund(s)
Gary J. Greb, /74/ Tgac Npcqgbclr* Npgac Gltcqrkclr K_l_ekclr* R, Pmuc Npgac* Npgac Glrcpl_rgml_j* _lb R, Pmuc Rpsqr Amkn_lw	Tgac Npcqgbclr* _jj dslbq
Paul Greene II, /756 Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Cheryl Hampton, CPA, /747 Tgac Npcqgbclr* R, Pmuc Npgac9 dmpkcpjw R_v Bgpcarmp* Gltcqam Jrb, &rm 0./'9 Tgac Npcqgbclr* Mnnclfcgkcp Dslbq* Gla, &rm 0./7'	Tgac Npcqgbclr* _jj dslbq
Charles B. Hill, CFA, /74/ Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Stephon Jackson, CFA,/740 Tgac Npcqgbclr* R, Pmuc Npgac	Am+Npcqgbclr* Cosgrw Qcpgcq
Jai Kapadia, /760 Tgac Npcqgbclr* Npgac Fmle Imle _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
Benjamin Kersse, CPA, /767 Tgac Npcqgbclr* R, Pmuc Npgac	Tgac Npcqgbclr* _jj dslbq
Steven M. Kohlenstein, CFA, /765 Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Paul J. Krug, CPA, /742 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Tgac Npcqgbclr* _jj dslbq
John D. Linehan, CFA, /743 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Cheryl A. Mickel, CFA, /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
Tobias Fabian Mueller, CFA, /76. Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla, _lb R, Pmuc Npgac Glrcpl_rgml_j	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
Joshua Nelson, /755 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* Npgac Glrcpl_rgml_j* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Am+Npcqgbclr* Cosgrw Qcpgcq
Alexander S. Obaza, /76/ Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Oluwaseun Oyegunle, CFA, /762 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla, _lb Npgac Glrcpl_rgml_j	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
Fran M. Pollack-Matz, /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
Shannon Hofher Rauser, /765 ?qqgqr_lr Tgac Npcqgbclr* R, Pmuc Npgac	?qqgqr_lr Qcapcr_pw* _jj dslbq
Michael F. Reinartz, CFA, /751 Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	Cvcasrgtc Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
John Rowles, /77. Tgac Npcqgbclr* R, Pmuc Npgac Epmsn	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
Sebastian Schrott, /755 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla, _lb R, Pmuc Npgac Glrcpl_rgml_j	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq
Richard Sennett, CPA, /75. Tgac Npcqgbclr* R, Pmuc Npgac* R, Pmuc Npgac Epmsn* Gla,* _lb R, Pmuc Npgac Rpsqr Amkn_lw	?qqgqr_lr Rpc_qspcp* _jj dslbq
Chen Shao, /76. Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Michael K. Sewell, /760 Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Dgvcb Glamkc Qcpgcq
Bin Shen, CFA, /765 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla, _lb Npgac Glrcpl_rgml_j	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq

Name, Year of Birth, and Principal Occupation(s) During Past Five Years	Position(s) Held With Fund(s)
Charles M. Shriver, CFA, /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
Neil Smith, /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
Toby M. Thompson, CAIA, CFA* /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
Justin Thomson, /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
John F. Wakeman, /740 Tgac Npcqgbclr* Npgac Gltcqrkclr K_l_eckclr _lb R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Cosgrw Qcpgcq
Megan Warren, /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 dslbq
Justin P. White, /76/ Tgac Npcqgbclr* R, Pmuc Npgac _lb R, Pmuc Npgac Epmsn* Gla,	Cvcasrgtc Tgac Npcqgbclr* Cosgrw Qcpgcq
Ernest C. Yeung, CFA, /757 Bgpcarmp _lb Tgac Npcqgbclr* Npgac Fmle Imle9 Tgac Npcqgbclr* R, Pmuc Npgac Epmsn* Gla,	Tgac Npcqgbclr* Glrcpl_rgml_j Qcpgcq

Directors' and Advisory Board Members' Compensation

Each independent director and Advisory Board member is paid $375,000 annually for his or her service on the Boards or Advisory Board, as applicable. The chair of the Boards, an independent director, receives an additional $165,000 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 2022, 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.

Directors	Total Compensation
@_xckmpc	"173*...
B_lgcjq(	15.*...
Bsla_l	12.*...
Ecpp_pb	313*...
Ka@pgbc	12.*...
U_jicp	33*445

(Cddcargtc ?npgj 05* 0.00* Kp, B_lgcjq pcqgelcb dpmk fgq pmjc _q _l glbcnclbclr bgpcarmp md rfc Npgac Dslbq,

The following table shows the amounts paid by each fund to the independent directors based on accrued compensation for the calendar year 2022:

Fund	Bazemore	Daniels*	Duncan	Gerrard	McBride	Walker
?jj+A_n Mnnmprslgrgcq Nmprdmjgm	"/36	"/26	"/14	"0/2	"/14	"01
@jsc Afgn Epmurf Nmprdmjgm	67/	612	545	/*0.5	545	/11

Portfolio Managers' Holdings in the Price Funds

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 institutional funds), T. Rowe Price common trust funds, and non-U.S. pooled investment vehicles, such as Société d'Investissement à Capital Variable Funds (SICAVs).

Fund	Portfolio Manager	Range of Equity Securities in the Fund Beneficially Owned as of Fund's Last Fiscal Year-End[a]	Range of Holdings in Investment Strategy as of Fund's Last Fiscal Year-End[a]

receive supplemental medical/hospital reimbursement benefits and are eligible to participate in a supplemental savings plan sponsored by T. Rowe Price Group.

This compensation structure is used when evaluating the performance of all portfolios (including the Price Funds) managed by the portfolio manager.

Assets Under Management

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 repayment priorities or other features that could be in conflict with one another. Clients should be aware that conflicts will not necessarily be resolved in favor of their interests.

In some cases, T. Rowe Price or its affiliates may refrain from taking certain actions or making certain investments on behalf of clients in order to avoid or mitigate certain conflicts of interest or to prevent adverse regulatory actions or other implications for T. Rowe Price or its affiliates, or may sell investments for certain clients, in such case potentially disadvantaging the clients on whose behalf the actions are not taken, investments not made, or investments sold. In other cases, T. Rowe Price or its affiliates may take actions in order to mitigate legal risks to T. Rowe Price or its affiliates, even if disadvantageous to a client.

Conflicts such as those described above may also occur between clients on the one hand, and T. Rowe Price or its affiliates, on the other. These conflicts will not always be resolved in the favor of the client. In addition, conflicts may exist between different clients of T. Rowe Price or its affiliates. T. Rowe Price and one or more of its affiliates may operate autonomously from each other and may take actions that are adverse to other clients managed by an affiliate. In some cases, T. Rowe Price or its affiliates will have limited or no ability to mitigate those actions or address those conflicts, which could adversely affect T. Rowe Price or its affiliates' clients. In addition, certain regulatory restrictions may prohibit clients of T. Rowe Price or its affiliates from investing in certain companies because of the applicability of certain laws and regulations to T. Rowe Price, its affiliates, or the Price Funds. T. Rowe Price or its affiliates' willingness to negotiate terms or take actions with respect to an investment for its clients may be directly or indirectly, constrained or impacted to the extent that an affiliate or the Price Funds and/or their respective directors, partners, managers, members, officers or personnel are also invested therein or otherwise have a connection to the subject investments.

Investment personnel are mindful of potentially conflicting interests of our clients with investments in different parts of an issuer's capital structure and take appropriate measures to ensure that the interests of all clients are fairly represented.

PRINCIPAL HOLDERS OF SECURITIES

As of December 31, 2022, none of the independent directors, Advisory Board members or their immediate family members owned beneficially or of record any securities of T. Rowe Price (the Price Funds' investment adviser), Investment Services (the Price Funds' distributor), or any person controlling, controlled by, or under common control with T. Rowe Price or Investment Services.

As of March 31, 2023, the directors and executive officers of the funds, as a group, owned less than 1% of the outstanding shares of any fund.

As of March 31, 2023, the following shareholders of record owned more than 5% of the outstanding shares of the indicated funds and/or classes.

FUND	SHAREHOLDER	%
?JJ+A?N MNNMPRSLGRGCQ NMPRDMJGM	KMBCPL UMMBKCL MD ?KCPGA? ?RRL KSRS?J DSLBQ ?AARE 36./ QU 4RF ?TC RMNCI? IQ 44414+.../	/3,17
	L?RGMLUGBC GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE N M @MV /60.07 AMJSK@SQ MF 210/6+0.07	/3,/4
	L?RGMLUGBC JGDC GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE N M @MV /60.07 AMJSK@SQ MF 210/6+0.07	03,23&_'
	N?P?EML JGDC GLQSP?LAC AM K?GJ AMBC ?0+/. /1.23 RCQQML DCPPW PB Q?GLR JMSGQ KM 41/06+1277	3,77
	QCASPGRW @CB╥	/1,₇ .

FUND	SHAREHOLDER	%
@JSC AFGN EPMURF NMPRDMJGMÇGG	?KCPGR?Q JGDC GLQSP?LAC AMPN ?KCPGR?Q T?PG?@JC QCN ?AAR T? ?RRL T?PG?@JC RP?BCQ 37. . M QR JGLAMJL LC 463/ .+0012	7,/2
	HCDDCPQML L?RGML?J JGDC GLQ AM / .13. MPKQ@W N?P I NJ QRC 4. . JMSGQTGJJC IW 2.001+4/56	/1,13
	KGBJ?LB L?RGML?J JGDC GLQSP?LAC AM 213. UCQRMUL N I UW UCQR BCQ KMGLCQ G? 3.044+/ .14	/ .,54
	L?RGMLUGBC JGDC GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE	7,73
	N?AGDGA QCJCAR CVCA QCN?P?RC ?AAMSLR MD N?AGDGA JGDC ?RRL8 T?PG?@JC NPMBO ╬ ť Ƒ ɯ ë	04,60&_'
	N?AGDGA Q =ᵛ ʿ ʎⁱ ɰ M	

FUND	SHAREHOLDER	%
COSGRW GLAMKC NMPRDMJGM	?KCPGA?L SLGRCB JGDC	4,45
	?KCPGA?L SLGR RPSQR	
	?RRL QCN?P?RC ?AAMSLRQ	
	NM @MV 146	
	GLBG?L?NMJGQ GL 240.4+.146	
	?KCPGA?L SLGRCB JGDC	6,22
	QCN?P?RC ?AAMSLR GG	
	?RRL QCN?P?RC ?AAMSLRQ	
	JGLAMJL @CLCDGR JGDC AM	5,/.
	JGLAMJL @CLCDGR T?PG?@JC	
	JGDC	
	NM @MV 720/.	
	N?J?RGLC GJ 4..72+20/.	
	K?QQ KSRS?J JGDC GLQ AM	3,.3
	?RRL PQ DSLB MNCP?RGMLQ	
	NPSAM JGDC GLQSP?LAC AMKN?LW	7,25
	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	
	QCASPGRW @CLCDGR JGDC GLQ AM	/3,46
	D@M R PMUC NPGAC LM JM?B T?	
	?RRL K?PI WMSLE	

FUND	SHAREHOLDER	%
FC?JRF QAGCLACQ 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	3,15
	KMBCPL UMMBKCL MD ?KCPGA? ?RRL KSRS?J DSLBQ ?AARE	02,51
	L?RGML UGBC JGDC ?LB ?LLSGRW GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE N M @MV /60.07 AMJSK@SQ MF 210/6+0.07	06,73&_'
	QCASPGRW @CLCDGR JGDC GLQ AM D@M R PMUC NPGAC LM JM?B T ? ?RRL K?P I WMSLE	0.,36
FC?JRF QAGCLACQ NMPRDMJGMÇGG	KGBJ?LB L?RGML?J JGDC GLQSP?LAC AM	3,//
	L?RGML UGBC JGDC GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE	3,76
	L?RGML UGBC JGDC GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE	3,/2
	L?RGML UGBC JGDC GLQSP?LAC AMKN?LW A-M GNM NMPRDMJGM ?AAMSLRGLE	32,10&_'

FUND	SHAREHOLDER	%
GLRCPL?RGML?J QRMAI NMPRDMJGM	D?PK @SPC?S JGDC GLQ AM ?RRL KSRS?J DSLB ?AAMSLRGLE 32. . SLGTCPQGRW ?TCLSC UCQR BCQ KMGLCQ G? 3.044+3775	5,15
	LWJG?A ?RRL ?QFCQF SN?BFW?W LWJGK ACLRCP	6,/7
	NPSAM JGDC GLQSP?LAC AMKN?LW NJ?X JGDC ?RRL QCN?P?RC ?AAMSLRQ 0/1 U?QFGLERML QR DJ 5 LCU?P I LH .5/.0+07/5	01,6.

A K JK SR MDSLB ?AA [LR Θ -I

FUND	SHAREHOLDER		%
JKRCB+RCPK @MLB NMPRDMJMÇ	KCDDCKQMS 1 LB MNCP?RMLQ-L031 JDC LQ AM	Æ	74,13_'
KB+A?N EPMURF NMPRDMJM	A K JDC LQSP?LAC AM		/0,56
KB+A?N EPMURF NMPRDMJM	K K ?RRL DSLB MNCP?RMLQ-L033 /073 QR?RC QR QNPLEDCJB K? . / / / /+. . . /	-I - -Y H	
K K ?DSLB MNCP?RMLQ-L033			
	D?PK @SPC?S JDC LQ AM ?RRL KSRS?J DSLB ?AAMSLRLE K K > QR?RC QR K K J @?WQR?RC JDC LQ AM		3,52

K K > QR?RC QR

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 Hong Kong, Price Japan, and Price Singapore are wholly-owned subsidiaries of Price International.

Investment Management Services

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 principal business and portfolio brokerage.

T. Rowe Price has entered into a subadvisory agreement with one or more Price Adviser(s) on behalf of each fund as

Management Fees

Each fund pays T. Rowe Price an annual fee (the "Dcc"), and each fee is listed in the following table. The Fee is paid monthly to T. Rowe Price on the first business day of the next succeeding calendar month and is the sum of the daily Fee accruals for each month. The daily Fee accrual for any particular day is calculated by multiplying the fraction of one (1) over the number of calendar days in the year by the appropriate Fee rate. The product of this calculation is multiplied

Fund	Fiscal Year Ended		
	12/31/22	12/31/21	12/31/20
Jgkgrcb+Rcpk @mlb Nmprdmjgm&_'	/*042*...	/*0..*...	/*77.*...
Kgb+A_n Epmurf Nmprdmjgm&_'	2*114*...	3*150*...	2*102*...
Kmbcp_rc ?jjma_rgml Nmprdmjgm	/*356*...	/*64/*...	/*42/*...

investment options for which an insurance company or intermediary does not receive additional compensation (or receives lower levels of additional compensation). However, these arrangements do not increase fund expenses and will not change the price that an investor pays for shares of the Price Funds or the amount that a Price Fund receives to invest on behalf of an investor.

DISTRIBUTOR FOR THE FUNDS

Investment Services, a Maryland corporation formed in 1980 as a wholly owned subsidiary of T. Rowe Price, serves as distributor for all Price Funds on a continuous basis. Investment Services is registered as a broker-dealer under the 1934 Act and is a member of the Financial Industry Regulatory Authority, Inc. (DGLP?).

Investment Services is located at the same address as the funds and T. Rowe Price: 100 East Pratt Street, Baltimore, Maryland 21202.

Investment Services serves as distributor to the Price Funds, pursuant to an Underwriting Agreement (SIbcpupgrgIe ?epcckcIr), which provides that Investment Services will pay or arrange for others to pay all fees and expenses in connection with necessary state filings; preparing, setting in type, printing, and mailing of prospectuses and shareholder reports to shareholders; and issuing shares, including expenses of confirming purchase orders.

The Underwriting Agreement also provides that Investment Services will pay or arrange for others to pay all fees and expenses in connection with printing and distributing prospectuses and shareholder reports for use in offering and selling fund shares; preparing, setting in type, printing, and mailing all sales literature and advertising; Investment Services' federal and state registrations as a broker-dealer; and offering and selling shares for each fund, except for those fees and expenses specifically assumed by the funds. Investment Services' expenses are paid by T. Rowe Price.

Investment Services acts as the agent of the funds, in connection with the sale of fund shares in the various states in which Investment Services is qualified as a broker-dealer. Under the Underwriting Agreement, Investment Services accepts orders for fund shares at net asset value &L?T'. Other than as described below with respect to the II Class shares, no sales charges are paid by investors or the funds, and no compensation is paid to Investment Services. The Underwriting Agreement also allows Investment Services to enter into agreements with affiliated T. Rowe Price entities to offer and sell shares of the Price Funds, under limited conditions, to certain institutional investors outside the U.S.

II Class

Distribution and Shareholder Services Plan

The funds' directors adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to each II Class (each, a "Aj_qq"). Each plan provides that the Class may compensate Investment Services, or such other persons as the funds or Investment Services designates, to finance any or all of the distribution, shareholder servicing, maintenance of shareholder accounts, and/or other

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 in person at a meeting called for the purpose of voting on such approval. The plan may not be amended to increase materially the amount of fees paid by any Class thereunder unless such amendment is approved by a majority vote of the outstanding shares of such Class and by the fund directors in the manner prescribed by Rule 12b-1 under the 1940 Act. The plan is terminable with respect to a Class at any time by a vote of a majority of the independent directors or by a majority vote of the outstanding shares in the Class.

Payments under the 12b-1 plans will still normally be made for funds that are closed to new investors. Such payments are made for the various services provided to existing investors by the intermediaries receiving such payments.

Foreign Currency Transactions

share of grouped orders reflects the average price paid or received. The Price Advisers may include orders on behalf of Price Funds and other clients and products advised by the Price Advisers and their affiliates, including the not-for-profit entities T. Rowe Price Foundation, Inc., the T. Rowe Price Program for Charitable Giving, Inc., employee stock for certain Retirement Plan Services relationships, and T. Rowe Price and its affiliates' proprietary investments, in its aggregated orders.

The Price Advisers and other affiliated investment advisers have developed written trade allocation guidelines for their trading desks. Generally, when the amount of securities available in a public or initial offering or the secondary markets is insufficient to satisfy the volume for participating clients, the Price Advisers will make pro-rata allocations based upon the relative sizes of the participating client orders or the relative sizes of the participating client portfolios depending upon the market involved, subject to portfolio manager and trader input. For example, a portfolio manager may choose to receive a non-pro-rata allocation to comply with certain client guidelines, manage anticipated cash flows, or achieve the portfolio

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.

Total Brokerage Commissions

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 asked prices). Explicit brokerage commissions are paid, however, in connection with opening and closing out futures positions. In addition, the funds do not incur any brokerage commissions when buying and selling shares of other Price Funds or another mutual fund, although a fund will pay brokerage commissions if it purchases or sells shares of an exchange-traded fund.

The following table shows the approximate total amount of brokerage commissions paid by each fund for its prior three fiscal years. Since bond purchases do not normally involve the payment of explicit brokerage commissions, the tables generally reflect only the brokerage commissions paid on transactions involving equity securities and futures, if applicable. The amount of brokerage commissions paid by a fund may change from year to year because of changing asset levels, shareholder activity, portfolio turnover, or other factors.

	Fiscal Year Ended		
Fund	12/31/22	12/31/21	12/31/20
?jj+A_n Mnnmprslgrgcq Nmprdmjgm	"//1*/42	"/.2*24.	"/00*1/1
@jsc Afgn Epmurf Nmprdmjgm	53*7/7	040*/32	/6/*466
CosgrwGlamkc Nmprdmjgm	55*617	77*55/	/10*6/7
CosgrwGlbcv 3.. Nmprdmjgm	2/1	114	55/
Fc_jrf Qagclacq Nmprdmjgm	//7*150	//7*5/7	/03*/77
Glrcpl_rgml_j Qrmai Nmprdmjgm	72*.32	/.3*/0.	//0*27/
Jgkgrcb+Rcpk @mlb Nmprdmjgm	0*742	0*22.	4*577
Kgb+A_n Epmurf Nmprdmjgm	/02*144	42*261	72*.04
Kmbcp_rc ?jjma_rgml Nmprdmjgm	14*/27	07*4/6	2/*/31

Fund Holdings in Securities of Brokers and Dealers

The following lists each fund's holdings in securities of its regular brokers and dealers as of the end of the fiscal years indicated, if applicable.

(Amounts in 000s)

All-Cap Opportunities Portfolio

	Fiscal Year Ended 12/31/22	
Brokers	Value of Stock Holdings	Value of Bond Holdings
Emjbk_l Q_afq	"1*351	Ç
HNKmpe_l	2*15.	
Kmpe_l Qr_ljcw	/*750	

Portfolio Turnover

The portfolio turnover rates for the funds (if applicable) for the fiscal years indicated are as follows:

	Fiscal Year Ended		
Fund	12/31/22	12/31/21	12/31/20
?jj+A_n Mnnmprs l grgcq Nmprdmjgm	/ .2,/ #	51,/ #	7/,4#
@jsc A fgn Epmurf Nmprdmjgm	/6,.	16,0	05,/
Cosgrw G l am k c Nmprdmjgm	/6,1	/7,6	05,5
Cosgrw G l bcv 3 . . Nmprdmjgm	/0,7	7,3	/4,/
Fc_jrf Qagc l acq Nmprdmjgm	05,7	10,1	16,.
G l rcp l _rgm l _j Qrma i Nmprdmjgm	1/,/	07,/	1.,4
Jg k grcb+Rcp k @m l b Nmprdmjgm	64,1	42,1	5.,2

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

PricewaterhouseCoopers LLP, 100 East Pratt Street, Suite 2600, Baltimore, Maryland 21202, is the independent registered public accounting firm to the funds.

The financial statements and Report of Independent Registered Public Accounting Firm of the funds included in each fund's annual report are incorporated into this SAI by reference. A copy of the annual report of each fund with respect to which an inquiry is made will accompany this SAI.

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.

COVID-19 and the related governmental and public responses have had and may continue to have an impact on a fund's investments and net asset value and have led and may continue to lead to increased market volatility and the potential for illiquidity in certain classes of securities and sectors of the market. They have also had and may continue to result in periods of disruptions to business operations, supply chains and customer activity, travel restrictions, business closures, inability to obtain raw materials, supplies and component parts, and reduced or disrupted operations for the issuers in which a fund invests. The occurrence, reoccurrence and pendency of public health epidemics could adversely affect the economies and financial markets either in specific countries or worldwide.

In addition, the operations of the funds, their investment advisers, and the funds' service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems and other factors related to public emergencies.

Global economies and financial markets have become increasingly interconnected, which increases the possibility that environmental, economic, financial, or political events and factors in one country or region might adversely impact issuers in a different country or region or worldwide.

In March 2023, the banking industry experienced heightened volatility, which sparked concerns of potential broader adverse market conditions. The extent of the impact of these events on the U.S. and global markets is uncertain.

Cybersecurity Risk

As the use of the internet and other technologies has become more prevalent in the course of business, the funds have become more susceptible to operational and financial risks associated with cyberattacks. Cybersecurity incidents can result from deliberate attacks, such as gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrd t ǯ ɔ ǯ D Ď/or C > fccorr t

increase the cost and expenses of the funds. Investments by foreign investors are subject to a variety of restrictions in many emerging market countries. These restrictions may take the form of prior governmental approval, limits on the amount or type of securities held by foreigners, and limits on the types of companies in which foreigners may invest. Additional or different restrictions may be imposed at any time by these or other countries in which the funds invest. In addition, the repatriation of both investment income and capital from several foreign countries is restricted and controlled under certain regulations, including, in some cases, the need for certain government consents.

- K_picr _lb Rp_bgle Af_p_arcpgqrgaq Foreign securities markets are generally not as developed or efficient as, and are generally more volatile than, those in the United States. While growing in volume, they usually have substantially less volume than U.S. markets and the funds' foreign portfolio securities may have lower overall liquidity, be more difficult to value, and be subject to more rapid and erratic price movements than securities of comparable U.S. companies. Foreign banks or broker-dealers and are designed to offer a return linked to a particular underlying equity security. An investment in a P-note involves additional risks beyond the risks normally associated with a direct investment in the underlying security, and the P-note's performance may differ from the underlying security's performance. While the holder of a P-note is entitled to receive from the broker-dealer or bank any dividends paid by the underlying security, the holder is not entitled to the same rights (e.g., voting rights) as an owner of the underlying stock. P-notes are considered general unsecured contractual obligations of the banks or broker-dealers that issue them as the counterparty. As such, the funds must rely on the creditworthiness of the counterparty for their investment returns on the P-notes and would have no rights against the issuer of the underlying security. There is also no assurance that there will be a secondary trading market for a P-note or that the trading price of a P-note will equal the value of the underlying security. Additionally, issuers of P-notes and the calculation agent may have broad authority to control the foreign exchange rates related to the P-notes and discretion to adjust the P-note's terms in response to certain events.

- Gltcqrkclr Dslbq The funds may invest in investment funds, including ETFs and government money market funds, that have been authorized by the governments of certain countries specifically to permit foreign investment in securities of companies listed and traded on the stock exchanges in these respective countries. Investment in these funds is subject to the provisions of the 1940 Act. If a fund invests in such investment funds, shareholders will bear not only their deficits, and these requirements can severely limit EMU member countries' ability to implement monetary policy to address local or regional economic conditions. The private and public sectors' debt problems of a single EU country can pose economic risks to the EU as a whole. The imposition of fiscal and monetary controls by EMU countries can have a

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,

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Afgl_ ?Qf_pc K_picr Pgqi Investments in China and more specifically, investments in securities of the Chinese domestic securities market listed and traded on China's domestic stock exchanges (including China A Shares) are currently subject to certain additional risks. Purchase and ownership of China A Shares is generally restricted to Chinese investors and may only be accessible to foreign investors under certain regulatory frameworks as described herein. China A Shares may only be bought from, or sold to, a fund from time to time where the relevant China A Shares may be sold or purchased on the SSE or the SZSE, as appropriate. The existence of a liquid trading market for China A Shares may depend on whether there is supply of, and demand for, China A Shares. Investors should note that the SSE and SZSE on which China A Shares are traded (collectively, the "Afgl_ ? Qf_pcq K_picrq") are undergoing development and the market capitalization of, and trading volumes on, those exchanges may be lower than those in more developed financial markets. Market volatility and settlement difficulties in the China A Shares Markets may result in significant fluctuation in the prices of the securities traded on such markets and thereby changes in the net asset value of a fund. The China A Shares Markets are considered volatile and unstable (with the risk of suspension of a particular stock or government intervention).

Afgl_ ODGG GltcqrkcIr Pgqi Part of the assets of certain funds may be invested in China A Shares through the use of a Qualified Foreign Institutional Investor license. Under the prevailing regulations in China, foreign investors can invest in China A Shares pursuant to the applicable QFII rules and regulations (ODGG Cjgeg`jc Qcaspgrgcq) through institutions that have obtained QFII status in China. The funds themselves are not QFIIs, but may invest directly in QFII Eligible Securities via the QFII status of an entity having QFII status. T. Rowe Price has been granted QFII status and a QFII investment quota (ODGG Osmr_) through which a fund will be able to invest in QFII Eligible Securities. Some funds, such as the China Evolution Equity Fund, have a segregated account from which they are able to utilize T. Rowe Price's existing and unused QFII Quota.

A fund's ability to make the relevant investment to fully implement or pursue its investment objective or strategy is subject to the applicable laws, rules, and regulations (including restrictions on investments and repatriation of principal and profits) in China, which are subject to change, and such change may have potential retrospec ŀk / repat ! A

Corporation Limited (Afgl_Ajc_p

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

securities purchased at a premium (or discount) will cause such securities to be paid off at par, resulting in a loss (gain) to the funds. T. Rowe Price will actively manage the funds' portfolios in an attempt to reduce the risk associated with investment in mortgage-backed securities.

The market value of adjustable rate mortgage securities (?PKq), like other U.S. government securities, will generally vary inversely with changes in market interest rates, declining when interest rates rise and rising when interest rates decline. Because of their periodic adjustment feature, ARMs should be more sensitive to short-term interest rates than long-term rates. They should also display less volatility than long-term mortgage-backed securities. Thus, while having less risk of a decline during periods of rapidly rising rates, ARMs may also have less potential for capital appreciation than other investments of comparable maturities. Interest rate caps on mortgages underlying ARMs may prevent income on the ARMs from increasing to prevailing interest rate levels and cause the securities to decline in value. In addition, to the extent ARMs are purchased at a premium, mortgage foreclosures and unscheduled principal prepayments may result in some loss of the holders' principal investment to the extent of the premium paid. On the other hand, if ARMs are purchased at a discount, both a scheduled payment of principal and an unscheduled prepayment of principal will increase current and total returns and will accelerate the recognition of income that, when distributed to shareholders, will be taxable as ordinary income.

High Yield Securities

Qncag_j Pgqiq md Gltcqrgle gl Hsli @mlbq The following special considerations are additional risk factors of funds investing in lower-rated securities.

income to their shareholders to qualify for pass-through treatment under the tax laws and may, therefore, have to dispose of portfolio securities to satisfy distribution requirements.

Risk Factors of Investing in Municipal Securities

General

Yields on municipal securities are dependent on a variety of factors, including the general conditions of the money market and the municipal bond market, the size of a particular offering, the maturity of the obligations, and the credit rating and financial condition of the issuer. Municipal securities with longer maturities tend to produce higher yields and are generally subject to potentially greater price volatility than municipal securities with shorter maturities and lower yields. A bond trading below par or face value (i.e., at a discount) has a yield higher than its coupon rate, which could mean the bonds will be priced based on time to maturity rather than priced to call thus extending the effective duration of the bond. Also, if bonds are acquired at a certain discount from the time of purchase to maturity, then there could be gains resulting from the discount that are taxable. The market prices of municipal securities usually vary, depending upon available yields. An increase in interest rates will generally reduce the value of municipal bonds and a decline in interest rates will generally increase the value of municipal bonds. The ability of all the funds to achieve their investment objectives is also dependent on the continuing ability of the issuers of municipal securities in which the funds invest to meet their obligations for the payment of interest and principal when due. The ratings of Moody's, S&P, and Fitch represent their opinions as to the quality of municipal securities that they undertake to rate. Ratings are not absolute standards of quality; consequently, municipal securities with the same maturity, coupon, and rating may have different yields. There are variations in municipal securities, both within a particular classification and between classifications, depending on numerous factors. It should also be pointed out that, unlike other types of investments, offerings of municipal securities traditionally have not been subject to regulation by, or registration with, the SEC, although there have been proposals that would provide for regulation in the future.

The federal bankruptcy statutes relating to the debts of political subdivisions and authorities of states of the United States provide that, in certain circumstances, such subdivisions or authorities may be authorized to initiate bankruptcy

Treasury inflation protected securities (TIPS) whose principal value is periodically adjusted according to the rate of inflation.

- S,Q, Emtcplkclr ?eclaw Qcaspgrgcq Issued or guaranteed by U.S. government-sponsored enterprises and federal agencies. These include securities issued by the Federal National Mortgage Association (DLK?), GNMA, Federal Home Loan Bank, Federal Land Banks, Farmers Home Administration, Banks for Cooperatives, Federal Intermediate Credit Banks, Federal Financing Bank, Farm Credit Banks, the Small Business Association, and the Tennessee Valley Authority. Some of these securities are supported by the full faith and credit of the U.S. Treasury; the remainder are supported only by the credit of the instrumentality, which may or may not include the right of the issuer to borrow from the U.S. Treasury. These may also include securities issued by eligible private institutions that are guaranteed by certain U.S. government agencies under authorized programs.

- @_li M`jge_rgmlq Certificates of deposit, banker's acceptances, and other short-term debt obligations. Certificates of deposit are short-term obligations of commercial banks. A banker's acceptance is a time draft drawn on a commercial bank by a borrower, usually in connection with international commercial transactions. Certificates of deposit may have fixed or variable rates. The funds may invest in U.S. banks, foreign branches of U.S. banks, U.S. branches of foreign banks, and foreign branches of foreign banks.

- Q_tgleq _lb Jm_l M`jge_rgmlq Negotiable certificates of deposit and other short-term debt obligations of savings and loan associations.

- Qsnp_l_rgml_j ?eclagcq Securities of certain supranational entities, such as the International Development Bank.

- Ampnmp_rc Bc`r Qcaspgrgcq Outstanding corporate debt securities (e.g., bonds and debentures). Corporate notes may have fixed, variable, or floating rates.

- Qfmpr-Rcpk Ampnmp_rc Bc`r Qcaspgrgcq Outstanding nonconvertible corporate debt securities (e.g., bonds and debentures) that have one year or less remaining to maturit shoAte

Mortgage-Related Securities

- Kmpre_ec+@_aicb Qcaspgrgcq Mortgage-backed securities are securities representing an interest in a pool of mortgages.

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 normally expect prepayment rates to increase during periods of strong economic growth or declining interest rates and to decrease in recessions and rising interest rate environments. Accordingly, the life of the mortgage-backed security is likely to be substantially shorter than the stated maturity of the mortgages in the underlying pool. Because of such variation in prepayment rates, it is not possible to predict the life of a particular mortgage-backed security, but FHA statistics indicate that 25- to 30-year single family dwelling mortgages have an average life of approximately 12 years. The majority of GNMA certificates are backed by mortgages of this type, and, accordingly, the generally accepted practice treats GNMA certificates as 30-year securities that prepay in full in the 12th year. FNMA and FHLMC certificates may have differing prepayment characteristics.

Fixed rate mortgage-backed securities bear a stated “coupon rate” that represents the effective mortgage rate at the time of issuance, less certain fees to GNMA, FNMA, and FHLMC for providing the guarantee and the issuer for assembling the pool and for passing through monthly payments of interest and principal.

Payments FNL an avera/ ב ή po̧ /

New types of CMO tranches continue to evolve, such as floating rate CMOs, planned amortization classes, accrual bonds, and CMO residuals. Some newer structures could affect the amount and timing of principal and interest received by each mortgage assets experience slower-than-anticipated prepayments of principal, the price on a PO class will be affected more severely than would be the case with a traditional mortgage-backed security.

- ?PKq ARMs, like fixed rate mortgages, have a specified maturity date, and the principal amount of the mortgage is repaid over the life of the mortgage. Unlike fixed rate mortgages, the interest rate on ARMs is adjusted at regular intervals based on a specified, published interest rate "index" such as a Treasury rate index. The new rate is determined by adding a specific interest amount, the "margin," to the interest rate of the index. Investment in ARMs allows the funds to participate in changing interest rate levels through regular adjustments in the coupons of the underlying mortgages, resulting in more variable current income and lower price volatility than longer-term fixed rate mortgage securities. ARMs are a less effective means of locking in long-term rates than fixed rate mortgages since the income from adjustable rate mortgages will increase during periods of rising interest rates and decline during periods of falling rates.

- R@?q _Ib Bmjj_p Pmjjq Funds that purchase or sell mortgage-backed securities may choose to purchase or sell certain mortgage-backed securities on a delayed delivery or forward commitment basis through the TBA market. With TBA transactions, the fund would enter into a commitment to either purchase or sell mortgage-backed securities for a fixed price, with payment and delivery at a scheduled future date beyond the customary settlement period for mortgage-backed securities. These transactions are considered TBA because the fund commits to buy a pool of mortgages that have yet to be specifically identified but will meet certain standardized parameters (such as yield, duration, and credit quality) and contain similar loan characteristics. For either purchase or sale transactions, a fund may choose to extend the settlement through a "dollar roll" transaction in which it sells mortgage-backed securities to a dealer and simultaneously agrees to purchase substantially similar securities in the future at a predetermined price. These transactions have the potential to enhance the fund's returns and reduce its administrative burdens when compared with holding mortgage-backed securities directly, although these transactions will increase the fund's portfolio turnover rate. During the roll period, the fund forgoes principal and interest paid on the securities. However, the fund would be compensated by the difference between the current sale price and the forward price for the future purchase, as well as by the interest earned on the cash proceeds of the initial sale.

  Although TBA securities must meet industry-accepted "good delivery" standards, there can be no assurance that a security purchased on a forward commitment basis will ultimately be issued or delivered by the counterparty. During the settlement period, the fund will

Qrpsarspc Asset-backed securities are bonds that represent an ownership interest in a pool of receivables sold by originators into a special purpose vehicle (QNT). The collateral types can vary, as long as they are secured by homogeneous

- Mtcpamjj_rcp_jgx_rgml A form of credit enhancement whereby the principal amount of collateral used to secure a given transaction exceeds the principal of the securities issued. Overcollateralization can be created at the time of issuance or may build over time.
- Qspcrw @mlbq Typically consist of third-party guarantees to irrevocably and unconditionally make timely payments of interest and ultimate repayment of principal in the event there are insufficient cash flows from the underlying collateral.

  The degree of credit support provided on each issue is based generally on historical information regarding the level of credit risk associated with such payments. Depending upon the type of assets securitized, historical information on credit risk and prepayment rates may be limited or even unavailable. Delinquency or loss in excess of that anticipated could adversely affect the return on an investment in an asset-backed security. There is no guarantee that the amount of any type of credit enhancement available will be sufficient to protect against future losses on the underlying collateral.

  Some of the specific types of ABS that the funds may invest in include the following:

- Amjj_rcp_jgxcb @mlb mp Jm_l M`jge_rgmlq Collateralized bond obligations (A@Mq) are asset-backed securities collateralized by corporate bonds, mortgages, or pools of asset-backed securities. Collateralized loan obligations (AJMq) are asset-backed securities collateralized by pools of bank loans. CBOs and CLOs are structured into tranches, and payments are allocated such that each tranche has a predictable cash flow stream and average life. Most CBOs tend to be collateralized by high yield bonds or loans, with heavy credit enhancement.
- Fmkc Cosgrw Jm_lq These ABS typically are backed by pools of mortgage loans made to subprime borrowers or borrowers with blemished credit histories. The underwriting standards for these loans are more flexible than the standards generally used by banks for borrowers with unblemished credit histories with regard to the borrower's credit standing and repayment ability. Borrowers who qualify generally have impaired credit histories, which may include a record of major derogatory credit items such as outstanding judgments or prior bankruptcies. In addition, they may not have the documentation required to qualify for a standard mortgage loan.

  As a result, the mortgage loans in the mortgage pool are likely to experience rates of delinquency, foreclosure, and bankruptcy that are higher, and that may be substantially higher, than those experienced by mortgage loans underwritten in a more traditional manner. Furthermore, changes in the values of the mortgaged properties, as well as changes in interest rates, may have a greater effect on the delinquency, foreclosure, bankruptcy, and loss experience of the mortgage loans in the mortgage pool than on mortgage loans originated in a more traditional manner.

  With respect to first-lien mortgage loans, the underwriting standards do not prohibit a mortgagor from obtaining, at the time of origination of the originator's first-lien mortgage loan, additional financing that is subordinate to that first-lien mortgage loan, which subordinate financing would reduce the equity the mortgagor would otherwise appear to have in the related mortgaged property as indicated in the loan-to-value ratio.

  #### Risk Regarding Mortgage Rates

  The pass-through rates on the adjustable rate certificates may adjust monthly and are generally based on one-month London Interbank Offered Rate (JG@MP). The mortgage rates on the mortgage loans are either fixed or adjusted semiannually based on six-month LIBOR, which is referred to as a mortgage index. Because the mortgage index may respond to various economic and market factors different than those affecting one-month LIBOR, there is not necessarily a correlation in the movement between the interest rates on those mortgage loans and the pass-through rates of the adjustable rate certificates. As a result, the interest payable on the related interest-bearing certificates may be reduced because of the imposition of a pass-through rate cap called the "net rate cap."

  #### Yield and Reinvestment Could Be Adversely Affected by Unpredictability of Prepayments

  No one can accurately predict the level of prepayments that an asset-backed mortgage pool may experience. Factors that influence prepayment behavior include general economic conditions, the level of prevailing interest rates, the availability of alternative financing, the applicability of prepayment charges, and homeowner mobility. Reinvestment risk results from a faster or slower rate of principal payments than expected. A rising interest rate environment and the resulting slowing of prepayments could result in greater volatility of these securities. A falling interest rate environment and the resulting increase in prepayments could require reinvestment in lower-yielding securities.

- Apcbgr A_pb+@_aicb Qcaspgrgcq These ABS are backed by revolving pools of credit card receivables. Due to the revolving nature of these assets, the credit quality could change over time. Unlike most other asset-backed securities, credit card receivables are unsecured obligations of the cardholder, and payments by cardholders are the primary source of payment on these securities. The revolving nature of these card accounts generally provides for monthly payments to the trust. In order to issue securities with longer-dated maturities, most credit card-backed securities are issued with an initial

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-interest income depending on the nature of the fee (commitment, takedown, commission, service, or loan origination). To the extent the service fees are not interest income, they will not qualify as income under Section 851(b) of the Code. Thus, the sum of such fees plus any other nonqualifying income earned by the funds cannot exceed 10% of total income.

The Price Advisers will generally choose not to receive material nonpublic information about the issuers of loans who also issue publicly traded securities that a Price Fund owns or may want to own. As a result, the Price Advisers may have less information than other investors about certain of the loans in which they invest or seek to invest on behalf of the Price Funds or other client accounts. In some circumstances, the Price Advisers may receive material nonpublic information about an issuer as a result of a Price Fund's ownership of a loan involving that issuer. In these situations, a fund may be unable to enter into a transaction in a publicly traded security issued by that borrower when it would otherwise be advantageous to do so due to prohibitions on trading in securities of issuers while in possession of material nonpublic information. Unlike registered securities, such as most stocks and bonds, loans are not registered or regulated under the federal securities laws. As a result, investors in loans have less protection against fraud and other improper practices than investors in registered securities because investors in loans (such as the funds) may not be entitled to rely on the protections of the federal securities laws. Because floating interest rates on bank loans are typically based on a percentage above LIBOR, the expected discontinuation in 2023 for the majority of the LIBOR rates could have an adverse impact on the market for, or value of, bank loans held by funds. The risks associated with the expected discontinuation of LIBOR may be enhanced if the transition to an alternative reference rate is not completed in an orderly or timely manner.

- Amtcl_lr+Jgrc Jm_lq Some of the loans in which a fund may invest or get exposure to through its investments in CDOs, CLOs or other types of structured securities may be "covenant-lite" loans, which means the loans contain fewer maintenance covenants than other loans (in some cases, none) and do not include terms which allow the lender to monitor the performance of the borrower and declare a default if certain criteria are breached. An investment by a fund in a covenant-lite loan may potentially hinder the ability to reprice credit risk associated with the issuer and reduce the ability to restructure a problematic loan and mitigate potential loss. A fund may also experience delays in enforcing its rights on its holdings of covenant-lite loans. As a result of these risks, a fund's exposure to losses may be increased, which could result in an adverse impact on the fund's net income and NAV.

- Bcj_wcb Bp_u Jm_l _lb Pctmjtcp A delayed draw term (or delayed funding) loan is a type of loan where a borrower can request additional funds after the initial draw period has come to an end. The withdrawal periods and loan amounts are determined in advance. There is generally a ticking fee paid from the borrower to the lender on undrawn portions of the loan.

  Revolvers are a form of senior bank debt, where the borrower can draw down the credit of the revolver when it needs cash and repays the credit when the borrower has excess cash. One substantive difference between a delayed draw term loan and revolver is that under a revolver, the borrower would be able to pay off its liability to the fund and then re-borrow again the same amount in the future. Revolvers have maturity dates at which point the borrower can no longer draw on the line of credit and must repay any outstanding obligations.

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.

Zero-Coupon and Pay-in-Kind Bonds

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

Municipal Securities

Subject to the investment objectives and programs described in the prospectus and the additional investment restrictions described in this SAI, the funds' portfolios may consist of any combination of the various types of municipal securities 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:

- Ks lgagn_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 ?lrgagn_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 ?lrgagn_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 ?lrgagn_rgml Lmrcq Bond anticipation notes are issued to provide interim financing until long-term financing can be arranged. In most cases, the long-term bonds then provide the money for the repayment of the notes.
- R_v+Cvcknr Amkkcpag_j N_ncp Tax-exempt commercial paper is a short-term obligation with a stated maturity of 270 days or less. It is issued by state and local governments or their agencies to finance seasonal working capital needs or as short-term financing in anticipation of longer-term financing.

Municipal bonds, which meet longer-term capital needs and generally have maturities of more than one year when issued, have two principal classifications: general obligation bonds and revenue bonds. Additional categories of potential purchases include municipal lease obligations, prerefunded/escrowed to maturity bonds, private activity bonds, industrial development bonds, and participation interests.

- Eclcp_j M`jge_rgml @mlbq Issuers of general obligation bonds include states, counties, cities, towns, and special districts. The proceeds of these obligations are used to fund a wide range of public projects, including construction or improvement of schools, public buildings, highways and roads, and general projects not supported by user fees or specifically identified revenues. The basic security behind general obligation bonds is the issuer's pledge of its full faith and credit and taxing power for the payment of principal and interest. The taxes that can be levied for the payment of debt service may be limited or unlimited as to the rate or amount of special assessments. In many cases voter approval is required before an issuer may sell this type of bond.
- Pctclsc @mlbq The principal security for a revenue bond is generally the net revenues derived from a particular facility or enterprise or, in some cases, the proceeds of a special charge or other pledged revenue source. Revenue bonds are issued to finance a wide variety of capital projects, including electric, gas, water, and sewer systems; highways, bridges, and tunnels; port and airport facilities; colleges and universities; and hospitals. Revenue bonds are someerp ɔ usegr an/ ჳ˛ l' l's ŋ

lease payment is treated as an operating expense subject to appropriation risk and not a full faith and credit obligation of the issuer. Lease revenue bonds and other municipal lease obligations are generally considered less secure than a general obligation or revenue bond and often do not include a debt service reserve fund. To the extent such securities are

- T_pg_`jc _lb Djm_rgle P_rc Acprgdga_rcq Variable and floating rate securities are debt instruments that provide for periodic adjustments in the interest rate paid on the security and may sometimes be created by dividing underlying tax-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 Internal Revenue Service 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 provides an unconditional and irrevocable guarantee that the insured bond's principal and interest will be paid when due. Insurance does not guarantee the price of the bond. The guarantee is purchased from a private, nongovernmental insurance company.

There are two types of insured securities that may be purchased by the funds: (1) bonds carrying new issue insurance or (2) bonds carrying secondary insurance. New issue insurance is purchased by the issuer of a bond in an effort to improve the bond's credit rating. By meeting the insurer's standards and paying an insurance premium based on the bond's principal and interest value, the issuer may be able to obtain a higher credit rating for the bond. The credit rating assigned to an insured municipal bond will usually reflect the financial strength of the issuer or insurer, whichever is higher. Once purchased, municipal bond insurance cannot be canceled, and the protection it affords continues as long as the bonds are outstanding and the insurer remains solvent.

The funds may also purchase bonds that carry secondary insurance purchased by an investor after a bond's original issuance. Such policies insure a security for the remainder of its term. Generally, the funds expect that portfolio bonds carrying secondary insurance will have been insured by a prior investor. However, the funds may, on occasion, purchase secondary insurance on their own behalf.

Each of the municipal bond insurance companies has established reserves to cover estimated losses. Both the method of establishing these reserves and the amount of the reserves vary from company to company. The risk that a municipal bond insurance company may experience a claim extends over the life of each insured bond. Municipal bond insurance companies are obligated to pay a bond's interest and principal when due if the issuing entity defaults on the insured bond. Defaults on insured municipal bonds have been fairly low to date, but certain of these insurers' ratings have been downgraded and they are no longer insuring newly issued bonds. It is possible that there could be additional insurer downgrades and that default rates on insured bonds could increase substantially, which could further deplete an insurer's loss reserves and adversely affect the ability of a municipal bond insurer to pay claims to holders of insured bonds, such as the funds. The inability of an insurer to pay a particular claim, or a downgrade of the insurer's rating, could adversely affect the values of all the bonds it insures despite the quality of the underlying issuer. The number of municipal bond insurers is relatively small and, therefore, a significant amount of a municipal bond fund's assets may be insured by a single insurer.

Qr_lb`w Nspaf_qc ?epcckclrq A standby purchase agreement is a liquidity facility provided to pay the purchase price of bonds that cannot be remarketed. The obligation of the liquidity provider (usually a bank) is only to advance funds to purchase tendered bonds that cannot be remarketed and does not cover principal or interest under any other circumstances. The liquidity provider's obligations under the standby purchase agreement are usually subject to numerous conditions, including the continued creditworthiness of the underlying borrower.

When-Issued Securities

New issues of municipal securities are often offered on a when-issued basis; that is, delivery and payment for the securities normally takes place 15 to 45 days or more after the date of the commitment to purchase. The payment obligation and the interest rate that will be received on the securities are each fixed at the time the buyer enters into the commitment. The funds will only make a commitment to purchase such securities with the intention of actually acquiring the securities.

Real Estate Investment Trusts (REITs)

Investments in REITs may experience many of the same risks involved with investing in real estate directly. These risks include: declines in real estate values; risks related to local or general economic conditions, particularly lack of demand; overbuilding and increased competition; increases in property taxes and operating expenses; changes in zoning laws; heavy cash flow dependency; possible lack of availability of mortgage funds; obsolescence; losses due to natural disasters; condemnation of properties; regulatory limitations on rents and fluctuations in rental income; variations in market rental rates; and possible environmental liabilities. REITs may own real estate properties (Cosgrw PCGRq) and be subject to these risks directly or may make or purchase mortgages (Kmpre_ec PCGRq) and be subject to these risks indirectly through underlying construction, development, and long-term mortgage loans that may default or have payment problems.

Equity REITs can be affected by rising interest rates that may cause investors to demand a high annual yield from future distributions, which, in turn, could decrease the market prices for the REITs. In addition, rising interest rates also increase 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 bear his or her proportionate share of fund expenses and indirectly bear similar expenses of the REITs. REITs depend generally on their

than the fund was led to believe, the fund may not be able to withdraw its investment in a hedge fund promptly after a decision has been made to do so, causing the fund to incur a significant loss and adversely affect its total return.

Hedge funds are not required to provide periodic pricing or valuation information to investors, and such funds often

From time to time, a single order to purchase or sell derivatives (e.g., a futures contract or option thereon) may be made on behalf of a fund and other Price Funds and allocated by the manager across the various funds. Such aggregated orders would be allocated among the fund and the other Price Funds in a manner that is consistent with the allocation policy for required to engage in hedging or speculative transactions. If the investment adviser incorrectly forecasts interest rates, market values or other economic factors in using a derivatives strategy, the fund might have been in a better position if it had not entered into the transaction at all.

- Pcesj_rmpw Pgqi New regulation of derivatives may make them more costly, may limit their availability, or may otherwise affect their value or performance.

The funds comply with Rule 18f-4 governing the use of derivatives by registered investment companies that, depending on the extent of its use of derivatives, include (as applicable) the adoption and implementation of policies and procedures designed to manage the fund's derivatives risks, recordkeeping and reporting requirements, compliance with a limit on the amount of leverage-related risk that the fund may obtain based on value-at-risk and maintaining a derivatives risk management program and designating a derivatives risk manager.

security will be limited while the option is in effect unless the fund enters into a closing purchase transaction or the option is cash settled. A closing purchase transaction cancels out a fund's position as the writer of an option by means of an offsetting purchase of an identical option prior to the expiration of the option it has written. Unlike owning securities, currencies, or other commodities that are not subject to an option, the funds have no control over when they may be required to sell the underlying securities, currencies, or commodities, since they may be assigned an exercise notice at any time prior to the expiration of its obligation as a writer. If a call option a fund has written expires, the fund will realize a gain in the amount of the premium; however, such gain may be offset by a decline in the market value of the underlying security, currency, or commodity during the option period. If the call option is exercised, the fund will realize a gain or loss 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 option will reflect, among other things, the current market price of the underlying security or currency, the relationship of the exercise price to such market price)all required to hold a security or currency that they might otherwise have sold. This could result in higher transaction costs. The funds will pay transaction costs in connection with the writing of options to close out previously written options. Such transaction costs are normally higher than those applicable to purchases and sales of portfolio securities.

The exercise price of the options may be below, equal to, or above the current market values of the underlying securities or currencies at the time the options are written. From time to time, the funds may purchase an underlying security or currency for delivery in accordance with an exercise notice of a call option assigned to it, rather than delivering such security or currency from their portfolios. In such cases, additional costs may be incurred.

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

opening transactions or closing transactions or both; trading halts, suspensions, or other restrictions may be imposed with respect to particular classes or series of options or underlying securities; unusual or unforeseen circumstances may interrupt normal operations on an exchange; the facilities of an exchange or the Options Clearing Corporation may not at all times be adequate to handle current trading volume; or one or more exchanges could, for economic or other reasons, decide or be compelled at some future date to discontinue the trading of options (or a particular class or series of options),

CFTC's regulations, and the rules of the National Futures Association and any domestic exchange, including the right to use reparations proceedings before the CFTC and arbitration proceedings provided by the National Futures Association or any domestic futures exchange. In particular, proceeds derived from foreign futures or foreign options transactions may not be provided the same protections as proceeds derived from transactions on U.S. futures exchanges. In addition, the price of any foreign futures or foreign options contract and, therefore, the potential profit and loss thereon, may be affected by any variance in the foreign exchange rate between the time the funds' orders are placed and the time they are liquidated, offset, or exercised.

Swap Agreements

The funds may enter into swap agreements with respect to securities, futures, currencies, indices, commodities, and other instruments.

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 such interest rate cap.

A fund expects to enter into these transactions primarily to preserve a return or spread on a particular investment or 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.

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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

Combined Positions

Certain funds may purchase and write options in combination with futures or forward contracts, to adjust the risk and 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 offset 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 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.

Lending of Portfolio Securities

Securities loans may be made by the funds 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 or short-term bond 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 program, and the agent receives a reasonable fee from the funds for its services. The funds have a right to call each loan and obtain the securities within such period of time that coincides with the normal settlement period for purchases and sales of such securities in the respective markets. The funds will not have the right to vote on securities while they are being lent, but they may call a loan in anticipation of any important vote, when practical. The risks in lending portfolio securities, as with other extensions of secured credit, consist of a possible default by the borrower, delay in receiving additional collateral or in the recovery of the securities, or possible loss of rights in the collateral, should the borrower fail financially. Loans will be made only if, in the judgment of T. Rowe Price, the consideration to be earned from such loans would justify the risk. Additionally, the funds bear the risk that the reinvestment of collateral will result in a principal loss. Finally, there is also the risk that the price of the securities will increase while they are on loan and the collateral will not adequately cover their value.

Borrowing and Lending

The Price Funds may rely upon an interfund lending exemptive order received from the SEC on December 8, 1998,

the following fundamental or operating policies or any other investment restrictions set forth in the funds' prospectuses or 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.

Fundamental Policies

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

&/' Borrowing 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' Commodities (All Funds) Purchase or sell commodities, except to the extent permitted by applicable law;

&1' (a) Industry Concentration (All Funds Except Equity Index 500 and Health Sciences Portfolios) 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;

(b) Industry Concentration (Equity Index 500 Portfolio) 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, except that the fund will invest more than 25% of the value of its net assets in issuers having their principal business activities in the same industry to the extent necessary to replicate the index that the fund uses as its benchmark as set forth in its prospectus;

(c) Industry Concentration (Health Sciences Portfolio) 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 in the health sciences industry as defined in the fund's prospectus;

&2' Loans Make loans, although the funds may (i) lend portfolio securities and participate in an interfund lending program with other Price Funds provided that no such loan may be made if, as a result, the aggregate of such loans would exceed 33⅓% of the value of the funds' total assets; (ii) purchase money market securities and enter into repurchase agreements; and (iii) acquire publicly distributed or privately placed debt securities and purchase debt;

&3' (a) Percent Limit on Assets Invested in Any One Issuer (All Funds Except Blue Chip Growth and Equity Index 500 Portfolios) Purchase a security if, as a result, with respect to 75% of the value of the funds' total assets, more than 5% of the value of the funds' total assets would be invested in the securities of a single issuer, except securities issued or guaranteed by the U.S. government, its agencies, or instrumentalities;

(b) Percent Limit on Share Ownership of Any One Issuer (All Funds Except Blue Chip Growth and Equity Index 500 Portfolios) Purchase a security if, as a result, with respect to 75% of the value of the funds' total assets, more than 10% of the outstanding voting securities of any issuer would be held by the funds (other than obligations issued or guaranteed by the U.S. government, its agencies, or instrumentalities);

(c) Percent Limit on Assets Invested in Any One Issuer (Equity Index 500 Portfolio) Purchase a security if, as a result, with respect to 75% of the value of the fund's total assets, more than 5% of the value of the fund's total assets would be invested in the securities of a single issuer, except for cash; securities issued or guaranteed by the U.S. government, its agencies, or instrumentalities; and securities of other investment companies. However, the fund may exceed these limits to the extent necessary to replicate the index that the fund uses as its benchmark as set forth in its prospectus;

(d) Percent Limit on Share Ownership of Any One Issuer (Equity Index 500 Portfolio) Purchase a security if, as a result, with respect to 75% of the value of the fund's total assets, more than 10% of the outstanding voting securities of any issuer would be held by the fund (other than cash; securities issued or guaranteed by the U.S. government, its agencies, or instrumentalities; and securities of other investment companies). However, the fund may exceed these limits to the extent necessary to replicate the index that the fund uses as its benchmark as set forth in its prospectus;

&4' Real Estate Purchase or sell real estate, including limited partnership interests therein, unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the funds from investing in securities or other instruments backed by real estate or securities of companies engaged in the real estate business);

&5' Senior Securities Issue senior securities except in compliance with the 1940 Act; or

&6' Underwriting Underwrite securities issued by other persons, except to the extent that the funds may be deemed to be an underwriter within the meaning of the 1933 Act in connection with the purchase and sale of fund portfolio securities in the ordinary course of pursuing their investment programs.

NOTES

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

All Variable Insurance Portfolios With respect to investment restriction (2), the funds may not directly purchase or sell commodities that require physical storage unless acquired as a result of ownership of securities or other 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.

All Variable Insurance Portfolios For purposes of investment restriction (3):

- U.S., state, or local governments, or related agencies or instrumentalities, are not considered an industry.
- With respect to the industry classifications, each fund will define industries according to any one or more widely recognized third-party providers and/or as defined by the investment adviser. The policy also will be interpreted to give broad authority to each fund as to how to classify issuers within or among industries.
- It is the position of the staff of the SEC that foreign governments are industries for purposes of this restriction.
- For all funds except the International Stock and Limited-Term Bond Portfolios, bonds that are refunded with escrowed U.S. government securities or subject to certain types of guarantees are not subject to the industry limitation of 25%.

All Variable Insurance Portfolios For purposes of investment restriction (4), the funds will consider the acquisition of a debt security to include the execution of a note or other evidence of an extension of credit with a term of more than nine months.

All Variable Insurance Portfolios Except International Stock Portfolio For purposes of investment restriction (5), the funds will consider a repurchase agreement fully collateralized with U.S. government securities to be U.S. government securities.

All Variable Insurance Portfolios Except Limited-Term Bond Portfolio With respect to investment restriction (8), under the 1940 Act, an open-end investment company can borrow money from a bank provided that immediately after such borrowing there is asset coverage of at least 300% for all borrowings. If the asset coverage falls below 300%, the investment company must, within three days, thereafter (not including Sundays and holidays), reduce the amount of its borrowings to satisfy the 300% requirement.

Operating Policies

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

&/' Borrowing Purchase additional securities when money borrowed exceeds 5% of its total assets;

The fund (All Funds except Equity Index 500 Portfolio) will limit borrowing to (a) 10% of its net asset value when borrowing for any general purpose and (b) 25% of its net asset value when borrowing as a temporary measure to facilitate redemptions.

&0' Control of Portfolio Companies Invest in companies for the purpose of exercising management or control;

&1' Futures Contracts Purchase a futures contract or an option thereon if, with respect to positions in futures or options on futures that do not represent bona fide hedging, the aggregate initial margin and premiums on such options would exceed 5% of the funds' net asset value;

&2' Illiquid Investments Purchase illiquid investments if, as a result, more than 15% of its net assets would be invested in such investments;

&3' Investment Companies Purchase securities of open-end or closed-end investment companies except (i) securities of the TRP Reserve Investment Funds (provided that the investing fund does not invest more than 25% of its net assets in such funds); (ii) securities of other Price Funds or (iii) otherwise consistent with the 1940 Act;

&4' Margin Purchase securities on margin, except (i) for use of short-term credit necessary for clearance of purchases of portfolio securities and (ii) they may make margin deposits in connection with futures contracts or other permissible investments;

&5' Mortgaging Mortgage, pledge, hypothecate, or, in any manner, transfer any security owned by the funds as security for indebtedness, except as may be necessary in connection with permissible borrowings or investments, and then such mortgaging, pledging, or hypothecating may not exceed 33⅓% of the funds' total assets at the time of borrowing or investment;

&6' Oil and Gas Programs Purchase participations or oo mortgd l' par v ẹ γ

&/3' Zero Coupon and Pay-in-kind Bonds (Moderate Allocation Portfolio) 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' Currency Derivatives (Limited-Term Bond and Moderate Allocation Portfolios) Commit more than 10% of total assets to any combination of currency derivatives;

NOTES

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.

For purposes of operating policy (6), margin purchases are not considered borrowings and effecting a short sale will be deemed to not constitute a margin purchase.

If a fund is subject to an 80% name test as set forth in its prospectus, the 80% investment policy will be based on the fund s net assets plus any borrowings for investment purposes. For purposes of determining whether a fund invests at least 80% of its net assets in a particular country or geographic region, unless otherwise disclosed in a fund s prospectus, the funds use the country assigned to an equity security by MSCI Inc. or another unaffiliated third-party data provider, and the funds use the country assigned to a fixed income security by Bloomberg or another unaffiliated third-party data provider. The funds generally follow this same process with respect to the remaining 20% of net assets but may occasionally make an exception after assessing various factors relating to a company. For example, T. Rowe Price may assign a different

Lincoln Street, Boston, Massachusetts 02111. State Street Bank maintains shares of the Funds-of-Funds in the book entry system of the funds' transfer agent, T. Rowe Price Services, Inc.

All funds that can invest in foreign securities have entered into a Custodian Agreement with JPMorgan Chase Bank, London, pursuant to which portfolio securities that are purchased outside the United States are maintained in the custody of various foreign branches of JPMorgan and such other custodians, including foreign banks and foreign securities depositories as are approved in accordance with regulations under the 1940 Act. The address for JPMorgan is Woolgate House, Coleman Street, London, EC2P 2HD, England.

T. Rowe Price and BNY Mellon, subject to the oversight of T. Rowe Price, each provide certain fund accounting services to the Price Funds.

CODE OF ETHICS

The funds; their investment adviser (T. Rowe Price) and investment subadviser (Price Investment Management, Price quarter-end portfolio holdings will remain on the website for one year. In addition, most Price Funds disclose their 10 largest holdings, along with the percentage of the relevant fund's total assets that each of the 10 holdings represents, on rpmucnpgac,am k on the seventh business day after each month-end. These holdings are listed in numerical order based on such percentages of the fund's assets. Each monthly top 10 list will remain on the website for six months.

The funds' Boards have adopted policies and procedures with respect to the disclosure of the funds' portfolio securities and the disclosure of portfolio commentary and statistical information about the funds' portfolios and their securities. In addition, T. Rowe Price has adopted and implemented policies and procedures reasonably designed to ensure compliance with the policies governing the disclosure of portfolio holdings, including the requirement to first confirm that an appropriate nondisclosure agreement has been obtained from each recipient of nonpublic holdings. The policies relating to the general manner in which the funds' portfolio securities are disclosed, including the frequency with which portfolio holdings are disclosed and the length of time required between the effective date of the holdings information and the date on which the information is disclosed, are set forth in each fund's prospectus. In addition, portfolio holdings with respect to periods prior to the most recent quarter-end may be disclosed upon request, subject to the sole discretion of T. Rowe Price.

This SAI sets forth details of the funds' policy on portfolio holdings disclosure as well as the funds' policy on disclosing information about the funds' portfolios. In adopting the policies, the Boards of the funds took into account the views of the various steering committees of the funds' investment advisers regarding what information may be disclosed and when and to whom it should be disclosed. The steering committees have oversight responsibilities for managing the Price Funds. Each steering committee comprises senior investment management personnel of T. Rowe Price, Price Investment Management, Price International, Price Hong Kong, Price Japan, and/or Price Singapore. Each committee as a whole determines the funds' policy on the disclosure of portfolio holdings and related information. The funds' Boards believe the policies they have adopted are in the best interests of the funds and that they strike an appropriate balance between the desire of some persons for information about the funds' portfolios and the need to protect the funds from potentially harmful disclosures.

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

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

Service Provider	Service
GI tcqrmp Rmmjq* GI a,	DgvcbGIamkc ?I_jwrgaq
HNKmpe_I	Asqrmbg_I _Ib Qcaspgrgcq JcIbgIe ?ecIr
INKE	?sbgr _Ib R_v Qcprgacq
JgIcb_r_	DsIb ?aamsIrgIe Mtcpqgefr Nj_rdmpk TcIbmp
JgmI`pgbec	Rp_Iqj_rgmI TcIbmp

the fair value of such securities at the close of the NYSE if the Valuation Designee (as defined below) determines that

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 customary weekend and holiday closings; (b) during which trading on the NYSE is restricted; (c) during which an emergency exists as a result of which disposal by the funds of securities owned by them is not reasonably practicable or it is not reasonably practicable for the funds fairly to determine the value of their net assets; or (d) during which a governmental body having jurisdiction over the funds may by order permit such a suspension for the protection of the funds' shareholders, provided that applicable rules and regulations of the SEC (or any succeeding governmental authority) shall govern as to whether the conditions prescribed in (b), (c), or (d) exist.

DIVIDENDS AND DISTRIBUTIONS

Unless you elect otherwise, capital gain distributions, final quarterly dividends and annual dividends, if any, will be reinvested on the reinvestment date using the net asset values per share on that date. The reinvestment date normally precedes the payment date by one day, although the exact timing is subject to change and can be as great as 10 days.

REDEMPTIONS IN-KIND AND PURCHASES

Redemptions In-Kind

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.

specifically applicable to any particular shareholder. You should discuss with your tax adviser to determine tax

For corporate shareholders, a portion of the funds' ordinary dividends may be eligible for the deduction for dividends received by corporations to the extent the funds' income consists of dividends paid by U.S. corporations. This deduction does not include dividends representing payments in lieu of dividends related to loaned securities, dividends received on certain hedged positions, dividends received from certain foreign corporations, and dividends on stocks the funds have not held for more than 45 days during the 91-day period beginning 45 days before the stock became ex-dividend (90 and 181 days for certain preferred stock). Corporate 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 and international funds is expected to qualify for this deduction. Long-term capital gain distributions paid by the funds are not eligible for the dividends-received deduction.

A fund that earns interest income may, in its discretion, designate all or a portion of ordinary dividends as Section 163(j) interest dividends, which would allow the recipient to treat the designated portion of such dividends as interest income for purposes of determining interest expense deduction limitation under Section 163(j) of the Internal Revenue Code. Section 163(j) interest dividends, if so designated by a fund, will be report] ӟ ȳ ꝑ ӟ ǒ ed%po $ ɔ ɣ ꝑ $ more ɔ ɣ ꝑ $

when the shareholders owning 5% or more of the fund increase their aggregate holdings by more than 50 percentage points over a three-year period. An increase in the amount of taxable gains distributed to a fund's shareholders could result from an ownership change. The Price Funds undertake no obligation to avoid or prevent an ownership change, which can occur in the normal course of shareholder purchases and redemptions. Moreover, because of circumstances beyond a fund's control, there can be no assurance that a fund will not experience, or has not already experienced, an ownership change.

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, federal income tax as if such shareholder were a U.S. person. Such gain is sometimes referred to as "FIRPTA gain." If a fund is a U.S. real property holding corporation (SQPNFA) and is not domestically controlled, any gain realized on the sale or exchange of fund shares by a non-U.S. shareholder that owns at any time during the five-year period ending on the date of disposition more than 5% of a class of fund shares would be FIRPTA gain. The same rule applies to dispositions of fund shares by non-U.S. shareholders but without regard to whether the fund is domestically controlled. A fund will be a USRPHC if, in general, 50% or more of the fair market value of the fund's assets consists of USRPIs, including stock of certain U.S. REITs.

The Code provides a look-through rule for distributions of FIRPTA gain when a regulated investment company is classified as a qualified investment entity. A regulated investment entity will be classified as a qualified investment entity if, in general, 50% or more of the regulated investment company's assets consists of interests in U.S. REITs and other USPHCs. If a regulated investment company is a qualified investment entity and a non-U.S. shareholder owns more than 5% of a class of fund shares at any time during the one-year period ending on the date of the distribution, the distribution to such non-U.S. shareholder will be treated as gain from the disposition of a USRPI, causing the distribution to be subject to U.S. withholding tax at the applicable corporate tax rate (unless reduced by future regulations), and requiring the non-U.S. shareholder to file a nonresident U.S. income tax return. Also, such gain may be subject to a 30% branch profits tax in the hands of a non-U.S. shareholder that is a corporation. In addition, even if a non-U.S. shareholder does not own more than 5% of a class of fund shares, but the fund is a qualified investment entity, fund distributions of FIRPTA gain will be taxable as ordinary dividends (rather than as capital gain or short-term capital gain dividend) subject to withholding at a 30% or lower treaty rate.

Foreign Income Taxes

Income received by the funds from sources within various foreign countries may be subject to foreign income taxes. Under the Code, if more than 50% of the value of the funds' total assets at the close of the taxable year comprises securities issued by foreign corporations or governments, the funds may file an election to "pass through" to the funds' shareholders any eligible foreign income taxes paid by the funds. Certain funds of funds may also be able to pass through foreign taxes paid by other mutual funds in which they are invested if at least 50% of the value of the funds' total assets at the end of each fiscal quarter comprises interests in such regulated investment companies. There can be no assurance that the funds will be able to do so. Pursuant to this election, shareholders will be reqU.S will Þ̣ ! א я ll tax and/or an interest charge on certain dividends and capital gains earned from these investments, regardless of whether such income and gains are distributed to shareholders.

All-Cap Opportunities Portfolio

Effective May 1, 2021, the fund's name was changed from T. Rowe Price New America Growth Portfolio to the T. Rowe Price All-Cap Opportunities Portfolio.

Global Portfolio Companies

The TRPA ESG Committee has developed custom international proxy voting guidelines based on ISS' general global policies, regional codes of corporate governance, and our own views as investors in these markets. ISS applies a two-tier approach to determining and applying global proxy voting policies. The first tier establishes baseline policy guidelines for the most fundamental issues, which span the corporate governance spectrum without regard to a company's domicile. The second tier takes into account various idiosyncrasies of different countries, making allowances for standard market practices, as long as they do not violate the fundamental goals of good corporate governance. The goal is to enhance shareholder value through effective use of the shareholder franchise, recognizing that application of a single set of policies is not appropriate for all markets.

Fixed Income and Passively Managed Strategies

Proxy voting for our fixed income and indexed portfolios is administered by the Proxy Voting team using T. Rowe Price's guidelines as set by the TRPA ESG Committee. Indexed strategies generally vote in line with the T. Rowe Price guidelines. 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.

Specific Conflict of Interest Situations

Voting of T. Rowe Price Group, Inc. common stock (sym: TROW) by certain T. Rowe Price Index Funds will be done in all instances in accordance with T. Rowe Price voting guidelines and votes inconsistent with the guidelines will not be permitted. In the event that there is no previously established guideline for a specific voting issue appearing on the T. Rowe Price Group proxy, the Price Funds will abstain on that voting item. In addition, T. Rowe Price has voting authority for proxies of the holdings of certain Price Funds that invest in other Price Funds. In cases where the underlying fund of an investing Price Fund, including a fund-of-funds, holds a proxy vote, T. Rowe Price will mirror vote the fund shares held by the upper-tier fund in the same proportion as the votes cast by the shareholders of the underlying funds (other than the T. Rowe Price Reserve Investment Fund).

Limitations on Voting Proxies of Banks

T. Rowe Price has obtained relief from the U.S. Federal Reserve Board (the "DP@ Pcjgcd") which permits, subject to a number of conditions, T. Rowe Price to acquire in the aggregate on behalf of its clients, 10% or more of the total voting stock of a bank, bank holding company, savings and loan holding company or savings association (each a "@_ l i"), not to exceed a 15% aggregate beneficial ownership maximum in such Bank. One such condition affects the manner in which T. Rowe Price will vote its clients' shares of a Bank in excess of 10% of the Bank's total voting stock (Cvacqq Qf_pcq). The FRB Relief requires that T. Rowe Price use its best efforts to vote the Excess Shares in the same proportion as all other shares voted, a practice generally referred to as "mirror voting," or in the event that such efforts to mirror vote are unsuccessful, Excess Shares will not be voted. With respect to a shareholder vote for a Bank of which T. Rowe Price has aggregate beneficial ownership of greater than 10% on behalf of its clients, T. Rowe Price will determine which of its clients' shares are Excess Shares on a pro rata basis across all of its clients' portfolios for which T. Rowe Price has the power to vote proxies.

REPORTING, RECORD RETENTION, AND OVERSIGHT

The TRPA ESG Committee, and certain personnel under the direction of the TRPA ESG Committee, perform the following oversight and assurance functions, among others, over T. Rowe Price's proxy voting: (1) periodically samples proxy votes to ensure that they were cast in compliance with T. Rowe Price's proxy voting guidelines; (2) reviews, no less frequently than annually, the adequacy of the Policies and Procedures to make sure that they have been implemented effectively, including whether they continue to be reasonably designed to ensure that proxies are voted in the best interests of our clients; (3) performs due diligence on whether a retained proxy advisory firm has the capacity and competency to adequately analyze proxy issues, including the adequacy and quality of the proxy advisory firm's d fi נ c 0y א D γ / are

LEGAL COUNSEL

Willkie Farr & Gallagher LLP, whose address is 787 Seventh Avenue, New York, New York 10019, is legal counsel to the funds.

RATINGS OF COMMERCIAL PAPER

Kmmbw%q N+/ superior capacity for repayment. N+0 strong capacity for repayment. N+1 acceptable capacity for repayment of short-term promissory obligations.

Q$N ?+/ highest category, degree of safety regarding timely payment is strong. Those issues determined to possess extremely strong safety characteristics are denoted with a plus sign (+) designation. ?+0 satisfactory capacity to pay principal and interest. ?+1 adequate capacity for timely payment, but are more vulnerable to adverse effects of changes in circumstances than higher-rated issues. @ and A speculative capacity to pay principal and interest.

Dgraf D+/) exceptionally strong credit quality, strongest degree of assurance for timely payment. D+/ very strong credit quality. D+0 good credit quality, having a satisfactory c cred v v T p γ /for for F-1 c o s _ r c f _

@@@–Bonds rated BBB are considered to be investment grade and of satisfactory credit quality. The obligor's ability to pay interest and repay principal is considered to be adequate. Adverse changes in economic conditions and circumstances, however, are more likely to have adverse impact on these bonds and therefore impair timely payment. The likelihood that the ratings of these bonds will fall below investment grade is higher than for bonds with higher ratings.

@@* @* AAA* AA* _ I b A–Bonds rated BB, B, CCC, CC, and C are regarded on balance as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligation for bond issues not in default. BB indicates the lowest degree of speculation and C the highest degree of speculation. The rating takes into consideration special features of the issue, its relationship to other obligations of the issuer, and the current and prospective financial condition and operating performance of the issuer.

RATINGS OF MUNICIPAL NOTES AND VARIABLE RATE SECURITIES

Kmmbw%q TKGE+/-KGE+/ the best quality. TKGE+0-KGE+0 high quality, with margins of protection ample, though not so large as in the preceding group. TKGE+1-KGE+1 favorable quality, with all security elements accounted for, but lacking the undeniable strength of the preceding grades. Market access for refinancing, in particular, is likely to be less well established. QE adequate quality, but there is specific risk.

Q$N QN+/ very strong or strong capacity to pay principal and interest. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation. QN+0 satisfactory capacity to pay interest and principal. QN+1 speculative capacity to pay principal and interest.

Dgraf D+/) exceptionally strong credit quality, strongest degree of assurance for timely payment. D+/ very strong credit quality. D+0 good credit quality, having a satisfactory degree of assurance for timely payment. D+1 fair credit quality, assurance for timely payment is adequate, but adverse changes could cause the securities to be rated below investment grade.