

T. ROWE PRICE ADVISORY SERVICES, INC.
(TRP Advisory Services)

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PART 2A OF FORM ADV: FIRM BROCHURE
MARCH 31, 2017

This brochure provides information about the qualifications and business practices of TRP Advisory Services. If you have questions about the contents of this brochure, please contact us at TRP_ADV_Inquiries@troweprice.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about TRP Advisory Services is also available on the SEC’s website at adviserinfo.sec.gov. (TRP Advisory Services is a registered investment adviser under the Investment Advisers Act of 1940 (“**Advisers Act**”); however, such registration does not imply a certain level of skill or training.)

Item 2 – Summary of Material Changes

As of March 31, 2017, since the prior annual update on March 30, 2016, this Brochure was updated to include certain routine non-material updates. The Brochure was previously amended for new product offerings on November 17, 2016 to reflect the T. Rowe Price ActivePlus Portfolios Program and again on February 23, 2017 to reflect the T. Rowe Price Investment Allocation Tool. Both products launched in early 2017.

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Item 4 – Advisory Business

TRP Advisory Services (“**TRP Advisory Services**”) is a Maryland corporation founded in 2000. It is an investment adviser registered under the Investment Advisers Act of 1940 (**Advisers Act**) and a wholly owned subsidiary of T. Rowe Price Group, Inc. (“**Price Group**”) which was formed in 2000 as the publicly traded parent holding company of TRP Advisory Services and its affiliated entities (collectively, “**T. Rowe Price**”). TRP Advisory Services and its affiliated investment advisers: T. Rowe Price Associates, Inc. (“**Price Associates**”), T. Rowe Price International Ltd (“**Price International Ltd**”), T. Rowe Price Hong Kong Limited (“**Price Hong Kong**”), T. Rowe Price Singapore Private Ltd. (“**Price Singapore**”), and T. Rowe Price (Canada), Inc. (“**Price Canada**”), are collectively referred to herein as the Price Advisers. For purposes of this brochure, “we,” “us,” and “our” mean TRP Advisory Services and its employees, agents, and representatives.

TRP Advisory Services provides investment management services for individual investors via the following services which are three separate and distinct offerings:

T. Rowe Price Advisory Planning Service

TRP Advisory Services provides non-discretionary advice regarding investments in the T. Rowe Price family of no-load mutual funds (“**Price Funds**”) that are registered investment companies, or series thereof, under the Investment Company Act of 1940, as well as educational retirement income projections (“**Advisory Planning Service**”).

The Advisory Planning Service provides asset allocation and investment recommendations consisting of T. Rowe Price mutual funds based on responses to a Client Profile as well as consultations with an Advisory Associate. Clients with similar investment profiles are provided with similar investment recommendations.

TRP Advisory Services relies on a client's completed Client Profile to identify each client's investment and retirement goals and certain aspects of the client's current financial situation. TRP Advisory Services will assign an Advisory Associate to work with each client, usually by appointment, throughout the planning process. The Advisory Associate will discuss the information provided in the Client Profile and provide a recommendation report, also known as the Analysis and Recommendation, to address the client's stated goals. The non-discretionary advice within the Analysis and Recommendation consists of the asset allocation and investment recommendations. The Advisory Associate will review the Analysis and Recommendation with the client and assist with any implementation needs. (Please see *Item 8 — Methods of Analysis, Investment Strategies, and Risk of Loss* for details about the analysis and recommendation process.)

The Advisory Planning Service does not address the creation of a budget in retirement. However, as an educational component of the Advisory Planning Service, the Analysis and Recommendation provides retirement income projections and a retirement planning strategy for the client that is focused on helping the client better understand his or her projected income needs in retirement. The Advisory Planning Service addresses limited retirement planning needs and therefore should not be considered a substitute for a comprehensive financial plan.

T. Rowe Price ActivePlus Portfolios Program

TRP Advisory Services also acts as sponsor and investment manager to the T. Rowe Price ActivePlus Portfolios Program ("**APP Program**"), an online discretionary investment management service available for Individual Retirement Accounts ("**IRAs**"). The APP Program is designed to provide individual investors with a model portfolio allocated solely among Price Funds based on the client's time horizon and risk tolerance, which the client provides via an online Risk Tolerance Questionnaire ("**APP RTQ**") as part of the new account opening process. Clients are then assigned to one of 10 model portfolios with equity allocations generally ranging from 10% to 100%. Clients with similar time horizons and risk tolerance are assigned to the same model portfolio. Clients may also request certain allowable restrictions on the Price Funds in their model portfolio; if approved by TRP Advisory Services, the restricted Price Fund will be replaced by an alternate Price Fund. Clients must agree to electronic delivery of all APP Program communications, although client managers are available to answer questions by telephone. Clients are responsible for updating their risk tolerance and time horizon via the APP RTQ as necessary; TRP Advisory Services will not adjust a client's time horizon to reflect the passage of time or make any changes to the client's recommended portfolio unless the client updates the information in their APP RTQ.

By entering into a T. Rowe Price ActivePlus Portfolios Program Client Agreement ("**Client Agreement**"), clients authorize TRP Advisory Services to provide discretionary investment management services ("**Advisory Services**") for the assets in the client's account in the APP

Program (“**Program Account**”) by determining the appropriate asset, sub-asset, and fund allocations for the client’s Program Account and investing them in a selection of Price Funds that coincide with the model portfolio recommended for the Program Account based on the time horizon and risk tolerance the client provided in their Risk Tolerance Questionnaire (“**Client APP RTQ Information**”). The APP Program is available for IRAs only. In providing discretionary advice for the Program Account, TRP Advisory Services will not take into consideration any holdings not managed in the Program Account. In addition, TRP Advisory Services will not offer any management or advisory services with respect to, or be responsible for, any client assets not being managed by TRP Advisory Services as part of the APP Program, even if those assets are held in an Investment Services Brokerage Account or another account held by a TRP Advisory Services affiliate. TRP Advisory Services buys and sells shares of the Price Funds in the Program Account to align with the allocation of the model portfolio to which the client has been assigned after their Program Account is opened, and continuously monitors and periodically rebalances it to maintain alignment with the recommended model portfolio’s asset and sub-asset allocations, subject to dispersion limits TRP Advisory Services establishes from time to time. TRP Advisory Services can change its rebalancing methodology at its discretion without notice to the client. T. Rowe Price may periodically adjust the asset, sub-asset, or fund allocations for each model portfolio, consistent with its overall asset allocation approach. Capital gains and dividends are automatically reinvested. The APP Program is not a complete investment program as it does not consider a client’s outside assets, income, debt, and other financial considerations, and it is not intended for short-term investors.

To enroll in the APP Program, clients must complete an online account opening process, including completion of the APP RTQ and the new account application to establish an IRA in a brokerage account with T. Rowe Price Investment Services, Inc., (“**Brokerage Account**”) to hold the securities positions within the client’s Program Account, and must agree to the terms of the T. Rowe Price Brokerage Account Agreement, Fee Schedule, and Important Disclosures (“**Brokerage Agreement and Disclosures**”), the Traditional and Roth IRA Disclosure Statement And Custodial Agreement (“**IRA Agreement**”), and the Client Agreement. T. Rowe Price Investment Services, Inc. (“**Investment Services**”) is a broker/dealer affiliated with TRP Advisory Services and a member firm of the Financial Industry Regulatory Authority (“**FINRA**”). The IRAs and the Program Accounts will be registered in the name of T. Rowe Price Trust Company (“**Trust Company**”), a T. Rowe Price affiliate, for the client’s benefit. Program Accounts will not be available for brokerage activities except as directed by TRP Advisory Services, which means that clients cannot trade in securities or implement margin or option strategies with respect to the Program Account or hold securities or assets not managed as part of the APP Program. Further, Investment Services’ responsibilities for the Brokerage Account shall be limited solely to brokerage services relating to clients’ participation in the APP Program, and Investment Services will not act as the client’s investment adviser in connection with the APP Program or the Brokerage Account. A third-party broker unaffiliated with T. Rowe Price will provide custody and clearing services of the securities positions and related recordkeeping and reporting services for the Program Account. Clients are responsible for certain broker processing fees listed in the Brokerage Agreement and Disclosures, such as wire transfer fees, returned check fees, full account transfer (out of T. Rowe Price) fees, express mail delivery fees, etc., which will be itemized on client statements and deducted from the client’s Program Account. The annual \$20 maximum account fees described in the prospectuses for the

Price Funds in the Program (“**Program Funds**”), as well as the \$20 closeout fees described in the IRA Agreement, are waived for the APP Program.

The APP Program consists solely of asset allocation and trading services among proprietary Price Funds. TRP Advisory Services will not evaluate other asset classes or non-Price Funds for inclusion in the APP Program, even if other non-Price Funds or other asset classes have characteristics similar or superior to the Price Funds. The APP Program is not required to include any particular Price Fund and we undertake no obligation to evaluate non-Program Funds for inclusion in the APP Program. At its discretion, TRP Advisory Services may remove funds from or add funds to the recommended model portfolios from the list of Program Funds. The Program Funds are identified during the account opening process and are available on the APP Program’s website. See below for a discussion of the impact of mutual fund selections on revenue received by TRP Advisory Services and affiliates.

The recommendation for a client’s model portfolio is based on the Client APP RTQ Information. The client’s answers to the APP RTQ are solely for the assets to be managed in this Program Account and will not be considered for accounts the client may have elsewhere at T. Rowe Price. TRP Advisory Services will recommend substantially the same model portfolios and Price Funds to different clients with substantially the same APP RTQ responses. TRP Advisory Services will not adjust a client’s recommended portfolio to modify their time horizon or risk tolerance unless the client notifies TRP Advisory Services to make those modifications by updating their RTQ Information. Any Client APP RTQ Information provided for this Program Account, or changes thereto, will not be made to other Program Accounts at T. Rowe Price unless the client expressly makes those changes with the appropriate Program Account. For example, changing risk tolerance or time horizon information for other T. Rowe Price accounts will not change the Client APP RTQ Information for this Program Account. If a client changes their APP RTQ Information frequently, TRP Advisory Services reserves the right to terminate the Client Agreement and client’s Program Account will be closed.

Clients are responsible for providing accurate and complete information as part of the APP Program’s online account opening process, or thereafter in conjunction with the APP Program. Clients are responsible for promptly notifying TRP Advisory Services, via the APP Program’s website, of any changes to their APP RTQ Information, requested modifications to existing portfolio restrictions, and of any change that may affect the manner in which TRP Advisory Services should allocate or invest the assets in the client’s Program Account. Depending on the changes, TRP Advisory Services may adjust the allocation of a client’s Program Account to align with a different model portfolio, which will result in trading activity in the client’s Program Account. If a client does not update their Client APP RTQ Information, we will continue to manage the client’s Program Account according to the most recent information provided by the client. For example, if the client indicated in their most recent Client APP RTQ Information that their time horizon for the Program Account is 20 years and the client does not update that information the following year, we will maintain their Program Account in the portfolio recommended to them consistent with a 20-year time horizon. Even though the client’s time horizon may change with the ordinary passage of time, we will not adjust the client’s time horizon or the associated portfolio used to manage their Program Account year-over-year unless the client updates their time horizon. TRP Advisory Services or its affiliates shall not bear any

responsibility for investment management decisions or other actions taken on the basis of any incomplete, misleading, or incorrect information clients supply or a client's failure to update their information when changes occur.

Clients have the opportunity to impose certain allowable restrictions on the management of their Program Account, and to change such restrictions, subject to TRP Advisory Services' acceptance of any such restriction or change. Specifically, clients may request prohibitions with respect to the purchase of a particular Price Fund or Price Funds, provided such restriction is not inconsistent with TRP Advisory Services' stated investment strategy or philosophy, or is not fundamentally inconsistent with the nature or operation of the APP Program, in TRP Advisory Services' sole discretion. Investment restrictions should be requested by following instructions on the APP Program's website. If TRP Advisory Services accepts a client's requested restriction, it will continue to manage the Program Account, but will take no responsibility for any deviation in performance between the client's Program Account as restricted and a Program Account invested in the same model portfolio, without the restriction. The performance of a Program Account with restrictions may differ from the performance of Program Accounts without restrictions, possibly producing lower overall results. Evaluation of the reasonableness of a restriction request may result in delays in the acceptance or management of a client's Program Account. TRP Advisory Services reserves the right to conclude that the requested restriction is unreasonable or cannot be accommodated within the APP Program. If a client's Program Account cannot be managed with the requested portfolio restriction(s), the client will be notified. TRP Advisory Services may reevaluate restrictions on an as-needed basis, including, but not limited to, as a result of changes in the underlying funds or models, which may result in the denial of a restriction that was previously accepted. Changing a restriction may result in buy or sell activity in a client's Program Account.

Clients agree to fund their Program Account with at least \$50,000 in cash or Price Funds, subject to change at TRP Advisory Services' sole discretion. Clients bear any costs of liquidating securities used to fund the Program Account. TRP Advisory Services will liquidate any Price Funds that have been deposited in order to invest the client's Program Account, in its sole discretion. TRP Advisory Services, in its sole discretion, may refuse any Program Account for any reason and reserves the right to terminate a client's participation in the Program if the client's Program Account does not meet the initial funding requirements within 60 days of the initial Program Account opening, as described further below. TRP Advisory Services will generally invest funds received in the Program Account prior to the full receipt of \$50,000. TRP Advisory Services makes no representation as to how quickly client Program Accounts, either via initial or ongoing funding, will be invested. Client assets may not be fully invested and will be subject to market risk between redemption and reinvestment dates, including, but not limited to, cases in which T. Rowe Price is required to sell one fund and purchase another fund. Investment amounts less than \$100 may be held in a free credit balance awaiting investment until they reach \$100. Deposits to the Program Account must be made by check, wire transfer, ACH or other methods determined by T. Rowe Price.

Clients may withdraw monies from their Program Account by contacting a T. Rowe Price representative through the APP Program's website. Withdrawal requests received in good order by 11 a.m. Eastern Time (ET) on a day that the New York Stock Exchange (NYSE) is open for

business (“**business day**”) will be processed that same day. Such requests received after 11 a.m. ET may be processed the next business day, although best efforts will be made to process these requests on the same business day. Full account closeout requests received in good order by 11 a.m. ET on a given business day may be processed two or more business days after the request is made; however, depending on the nature and timing of the request, certain full closeouts may take longer to fully process. T. Rowe Price reserves the right to temporarily suspend redemptions and postpone payment of redemption proceeds during periods of market stress. In-kind transfers of assets held in IRA accounts to non-IRA accounts and cash withdrawals will incur tax consequences, which will be the sole responsibility of the client.

Clients may request that:

- A check be sent to the address of record; or
- Assets be transferred in kind to another account.

Depending on the type of Program Account and the exact dollar amount a client wishes to withdraw, more information may be necessary before the withdrawal can occur. Clients should contact a T. Rowe Price representative through the APP Program’s website for more information.

If the market value of a Program Account falls below \$10,000 due to withdrawal of assets, but not due to market activity, TRP Advisory Services may require the client to deposit additional money or Price Funds to bring the Program Account up to the required minimum. TRP Advisory Services reserves the right to terminate the Program Account if it is not brought up to the required minimum upon 45 days’ notice from TRP Advisory Services that the Program Account is below the required minimum.

The APP Program is offered only online through an interactive website or other electronic connectivity, and, as part of the APP Program, clients agree to use electronic signatures and accept electronic delivery (as available) of all communications associated with the client’s Program Account, including transaction confirmations, monthly statements, agreements, disclosure documents, prospectuses, annual and semiannual reports, Form ADV, Part 2A brochures, account communications, proxies, and other materials. All of the documents necessary to open an account online in the Program and account communications are available in electronic, portable document format (PDF). Regular and dependable Internet access, which cost is the responsibility of the client, is required to enroll in the APP Program and to access all APP Program-related documents. Clients are required to maintain an accurate and up-to-date email address with the APP Program and to ensure that they have the ability to read, download, print, and retain documents they receive. T. Rowe Price reserves the right to terminate a client’s Program Account if the client does not maintain an accurate and up-to-date email address with the APP Program.

While enrolled in the APP Program, clients will be sent an email notification from TRP Advisory Services or the broker when a communication is available to be viewed on the APP Program’s website. The email will provide the client with the URL of the APP Program’s website and will

be sent to the e-mail address the client designates in the APP Program's online account opening process. Clients may view, verify, and change their e-mail address via the APP Program's website. In the event of an e-mail notification failure as defined by the APP Program or the broker, the APP Program and the broker may discontinue electronic delivery and mail the client's account communications to them in paper form until they re-enroll for electronic delivery through the APP Program's website. We reserve the right to terminate a client's Program Account if they do not re-enroll for electronic delivery within a reasonable time. Clients may print or save a copy of any of the account communications for as long as they are available on the APP Program's website. Clients have a right to request in writing, free of charge, a copy of certain documents required to be delivered under the Internal Revenue Code as described in the IRA Agreement as well as Form ADVs and such requests do not waive or invalidate a client's consent to electronic distribution.

Clients will receive trade confirmations to their attention via electronic delivery promptly following every securities transaction in their Program Account. However, clients will not be provided separate confirmations of automatic investments, automatic withdrawals, or dividend reinvestments. For these activities, the client's monthly/regular account statement will serve in lieu of a confirmation. As long as there is activity in a client's account, they will receive Program Account statements detailing their holdings and transaction information on a monthly basis.

NOTE: The APP Program is conditioned on enrollment in electronic delivery. Withdrawal of consent will result in the termination of the client's Program Account.

Clients must accept the Client Agreement by electronic means (such as clicks or other online means) and as such, the Client Agreement is legally binding and is considered to have been "signed" by client with the same effect as a manual signature. Electronic records of the Client Agreement that are made online will also be considered to be "in writing." Client has agreed not to dispute the validity or enforceability of any the Client Agreement entered into electronically by the client (or by anyone using client's authentication devices, such as a password or PIN).

All investments are subject to the terms of a relevant prospectus. Clients receive prospectuses electronically via the online account setup process when the Program Funds are initially introduced to them. Updates to the prospectuses or prospectuses for any Program Funds added to a client's Program Account as well as shareholder communications relating to the Price Funds held in the client's Program Account will be sent to the client electronically via the email address they designate in the APP Program's online account opening process, which may be updated by the client through the APP Program's website. Clients are responsible for understanding the contents of the prospectus, including the section related to fees, which will include the waived annual maximum account fee referenced above.

Any notice required to be given by the client (other than as otherwise specified herein) will be delivered electronically through the APP Program's website or another website designated by T. Rowe Price or its agents. Notice given by the client may also be sent by U.S. mail, certified or registered, or overnight courier, postage prepaid with return receipt requested, and addressed to T. Rowe Price Advisory Services, Inc., Mail Code: 17490, 4515 Painters Mill Road, Owings

Mills, Maryland, 21117-4903 or to another address specified by TRP Advisory Services in writing.

Either TRP Advisory Services or the client may terminate the advisory relationship at any time by written notice to the other party. TRP Advisory Services may terminate or suspend our advisory services for a client's Program Account (or for any portion of a client's Program Account) and/or place other restrictions on a client's Program Account for any reason at our sole discretion. Reasons for termination by TRP Advisory Services include, but are not limited to, withdrawal of cash that brings a client's Program Account balance below the minimum investment amount of \$10,000 (subject to change at our discretion); failure to maintain a valid email address; or revocation of consent to electronic delivery of all Program Account-related communications, excluding those noted above which can be delivered in hard copy upon request. Before terminating a Program Account, TRP Advisory Services will generally provide clients with 10 business days' notice; certain instances may arise, however, where we may need to suspend investment including, without limitation, if clients reside outside the U.S. or otherwise fail to comply with applicable law, rule, or regulation or any other applicable requirement of the APP Program, including electronic delivery. In such instances, the client will be contacted with further instructions.

If TRP Advisory Services terminates its advisory relationship with a client for any reason, the client's Brokerage Account will close, although the client's IRA relationship will remain in effect. In such event, T. Rowe Price will liquidate all of the Price Funds held in the client's Brokerage Account and will establish an IRA with T. Rowe Price Services, Inc. ("**Price Services**"), transfer agent for the Price Funds, in the T. Rowe Price Government Money Fund. In that event, the client's account will no longer be a managed account and TRP Advisory Services will no longer have or exercise discretion over it, nor will it be held with Investment Services, a registered broker-dealer and, therefore, the account will not be covered by SIPC and will not be subject to the required pre-dispute arbitration clause for Brokerage Accounts. The owner registration (including address) and any beneficiaries on the account and any elections to receive communications electronically in lieu of paper (as available) will automatically carry over to the new account(s). The client's new account(s) and all transactions in the new account(s) will be subject to the terms of Sections 7, 8, 9, 13, 15, 16, 17, 19, 20, 21, 31, and 42 in the Brokerage Agreement and Disclosures as well as the T. Rowe Price Privacy Policy, which will transfer to the client's T. Rowe Price Services, Inc. IRA. In addition, the client's new account(s) and all transactions in the account(s) will also be subject to the terms of the then-current prospectus for each Price Fund in which the client's IRA will be invested. Further, the terms of the IRA Agreement will remain in effect.

Clients agree that their authorized individual, such as a guardian, attorney-in-fact, executor, or other designated representative, will give TRP Advisory Services written notice of the client's disability or incapacity and documentation required to establish the authority of said authorized individual. The powers given TRP Advisory Services in the Client Agreement will not be affected by a client's disability or incapacity; however, TRP Advisory Services will terminate the Client Agreement upon notice of a client's disability or incapacity and the client's Program Account will be closed. Termination of the Program Account shall be effected by distributing all assets thereof to the client in a form and manner acceptable to Trust Company, subject to Trust

Company's right to reserve assets as provided in Section 9.1 of the IRA Agreement. Distribution of assets from the Program Account may result in a taxable distribution to the client. All actions taken by TRP Advisory Services regarding the Program Account, either before or after the disability or incapacity of the client, but before receipt by TRP Advisory Services of information of such disability or incapacity, is binding upon the client and the client's legal representatives who will hold TRP Advisory Services harmless from all liability arising from such action so taken.

In certain instances, a "do-not-trade" order may be placed on a client's Program Account for reasons including, but not limited to, to comply with a court order regarding a divorce. For the period when a do-not-trade order is in place, the Program will suspend management of the client's Program Account and will not monitor the Program Account for potential buys and sells of securities. Additionally, any deposits to the Program Account during a do-not-trade period will not be invested. Neither TRP Advisory Services nor any of its affiliates are responsible for any market loss experienced as a result of a do-not-trade order.

Program Account balances and funds attributable to certain uncashed checks issued from Program Accounts may be transferred to a state unclaimed property administrator if no activity occurs in the Program Account or the check remains outstanding within the time period specified by the applicable state law. Clients should periodically log in to their Program Account and ensure their physical address and email address are up to date to avoid escheatment.

Termination will not affect: (i) the validity of any action we have previously taken, (ii) any liabilities or obligations for transactions initiated before termination, or (iii) our or our affiliates' right to retain compensation from the Price Funds held in the Program Account, or any fees for services rendered that the client or the client's Program Account may have agreed to pay. We will have no obligation to take any action with regard to assets in a client's Program Account after the termination of the Account Agreement (except as directed by the client).

Upon notice of a client's intention to close their Program Account, TRP Advisory Services will (i) liquidate any and all shares of Price Funds that are closed to new investors and/or any share classes for which the client no longer meets the eligibility requirements and to hold such assets invested in the T. Rowe Price Government Money Fund; and (ii) rely on client instructions for disposition of these assets and the assets in the remaining Price Funds in the APP Program. A client's closure of the Program Account will terminate the client's Brokerage Agreement and Disclosures with Investment Services and close the client's Brokerage Account. The terms of the IRA Agreement may remain in effect.

Certain instances may arise where we may need to suspend investment management of and/or restrict activity in a client's Program Account.

Upon notification of a client's death, we will suspend the investment management of the client's Program Account and await receipt of a valid death certificate and instructions from the client's authorized representative. All actions taken by TRP Advisory Services regarding the Program Account, either before or after a client's death, but before receipt by TRP Advisory Services of

notification of the client's death, is binding upon the client and their legal representatives, who will hold TRP Advisory Services harmless from all liability arising from such action so taken.

T. Rowe Price does not and will not provide any tax advice. Clients are responsible for any tax implications and/or tax obligations arising as a result of the Advisory Services provided or the client's decision to enroll in the APP Program.

T. Rowe Price Investment Allocation Tool

TRP Advisory Services also offers clients an Investment Allocation Tool ("**IA Tool**"), a non-discretionary advice service that provides a point-in-time investment allocation recommendation ("**Investment Allocation Recommendation**") consisting solely of one or more Price Funds ("**IA Tool Funds**") based on a client's responses to a questionnaire ("**IA Tool Questionnaire**"). The questionnaire asks clients to identify their investment goal (retirement or general investment), initial investment amount, risk tolerance, time horizon, and whether they want a recommendation for a single fund or a multi-fund portfolio (and, for a retirement goal, whether they prefer a fund with a static or dynamic (i.e., glidepath) asset allocation). The IA Tool does not consider a client's income, debt, or other financial considerations.

The IA Tool provides point-in-time advice only. As described below, the Investment Allocation Recommendation delivered via the website expires at the end of the online session; the Investment Allocation Recommendation delivered over the phone or in person with a licensed associate expires at the end of your interaction with the licensed associate. The client is solely responsible for implementing the Investment Allocation Recommendation; clients have no obligation to accept any recommendations provided by TRP Advisory Services through the IA Tool. TRP Advisory Services is not authorized to make decisions regarding clients' accounts or investments and will not monitor or manage any of the client's accounts opened to implement the Investment Allocation Recommendation, whether at T. Rowe Price or elsewhere. Because Investment Allocation Recommendations expire at the end of an online session, in-person interaction, or phone call, such recommendations do not account for any changes to the client's investment goals, risk tolerance, time horizon, or financial circumstances, and T. Rowe Price Advisory Services is not responsible for any decision to implement the recommendation after it has expired.

The Investment Allocation Recommendation will consist solely of either a single asset allocation IA Tool Fund or an asset allocation amongst multiple IA Tool Funds. The IA Tool Funds are identified during the recommendation process. Not all such funds will be included in any specific Investment Allocation Recommendation. The IA Tool does not include recommendations to invest in individual securities, third-party mutual funds, or other non-Price securities. The IA Tool is not required to include any particular Price Fund and we undertake no obligation to evaluate non-IA Tool Funds, including non-Price Funds, for inclusion in the IA Tool even if other funds have characteristics or performance that is similar or superior to, or fees that are lower than, the IA Tool Funds. At its discretion, TRP Advisory Services may remove funds from or add funds to the list of IA Tool Funds. T. Rowe Price Advisory Services may periodically adjust the asset, sub-asset, or fund allocations recommended through the IA Tool

consistent with its overall asset allocation approach. See below for a discussion of the impact of mutual fund selections on revenue received by TRP Associates and its affiliates.

In order to receive an Investment Allocation Recommendation, clients must complete the IA Tool Questionnaire and agree to the terms of the Investment Allocation Tool Client Agreement. Clients have the option of going through the IA Tool Questionnaire and receiving their Investment Allocation Recommendation either over the phone or in person with a licensed associate or online through an interactive website. As part of the IA Tool, clients agree to use electronic signatures and accept electronic delivery of the IA Tool Client Agreement, prospectuses for the IA Tool Funds, and the T. Rowe Price Advisory Services Form ADV. These documents are available in electronic, portable document format (PDF).

Clients must accept the IA Tool Client Agreement by electronic means (such as clicks or other online means) and as such, the IA Tool Client Agreement is legally binding and is considered to have been “signed” by the client with the same effect as a manual signature. Electronic records of the IA Tool Client Agreement that are made online will also be considered to be “in writing.” Clients agree not to dispute the validity or enforceability of the IA Tool Client Agreement entered into electronically by the client (or by anyone using client’s authentication devices, such as a password or PIN).

T. Rowe Price does not and will not provide any tax advice. Clients are responsible for any tax implications and/or tax obligations arising as a result of the recommendation provided or the client’s decision to implement the recommendation.

IA Tool Questionnaire. The Investment Allocation Recommendation is based on the client’s responses to the IA Tool Questionnaire, which are limited to the assets the client intends to use to implement the recommendation and will not consider any other assets the client may have elsewhere at T. Rowe Price or with any unaffiliated firm. TRP Advisory Services will recommend substantially the same asset allocations and IA Tool Funds to different clients with substantially the same IA Tool Questionnaire responses. Clients may retake the IA Tool Questionnaire at any time to receive another Investment Allocation Recommendation. More information regarding the methodology used in developing the Investment Allocation Recommendations is provided in detail in *Item 8 — Methods of Analysis, Investment Strategies, and Risk of Loss*, below.

Phone and In Person Service. Clients who wish to receive an Investment Allocation Recommendation over the phone may contact a licensed associate, and either complete the IA Tool Questionnaire and receive their Investment Allocation Recommendation during this same call with the licensed associate or schedule a follow-up appointment to do so. Clients may also choose to receive an Investment Allocation Recommendation in person with a licensed associate.

Whether over the phone or in person, the licensed associate will enter the client’s responses to the IA Tool Questionnaire into the IA Tool, and use the IA Tool to generate the client’s Investment Allocation Recommendation. During this interaction, the licensed associate may discuss the features of the IA Tool and the assumptions underlying the Investment Allocation Recommendation with the client and assist with any implementation needs. The Investment

Allocation Recommendation is responsive only to the client's answers to the IA Tool Questionnaire during this interaction with the licensed associate. The Investment Allocation Recommendation expires at the end of this interaction and TRP Advisory Services has no responsibility for any subsequent action the client may take with respect to the Price Funds included in the expired recommendation.

Online Service. Clients who choose to receive an Investment Allocation Recommendation online may do so by visiting troweprice.com and completing the electronic version of the IA Tool Questionnaire. The Investment Allocation Recommendation is responsive to the client's answers to the IA Tool Questionnaire during this online session only. Once the client exits the session, the Investment Allocation Recommendation expires and TRP Advisory Services has no responsibility for any subsequent action the client may take with respect to the Price Funds included in the expired recommendation.

Assets Under Management

As of December 31, 2016, TRP Advisory Services managed approximately \$2.6 Million on a discretionary basis for its separate account clients. As of the same date, TRP Advisory Services did not manage assets on a non-discretionary basis for its clients.

Item 5 – Fees and Compensation

T. Rowe Price Advisory Planning Service

A one-time fee of \$250 is generally charged for the Advisory Planning Service, which includes the delivery of the recommendation report known as the Analysis and Recommendation; assistance with implementation of the chosen strategy utilizing Price Funds; and ongoing checkups. The fee is waived for clients with \$250,000 or more in household assets at T. Rowe Price at the time the client consents to the Advisory Planning Service. The fee will also be waived for clients who implement the advice with Price Funds in retirement accounts in compliance with applicable guidance issued by the U.S. Department of Labor under the Employee Retirement Income Security Act of 1974 (“**ERISA**”). Additionally, fees may be reduced or waived in special circumstances at the sole discretion of TRP Advisory Services. The fee, if paid, is refundable should the agreement be terminated prior to the client's receipt of the Analysis and Recommendation.

It is not necessary for an investor to subscribe to receive the Advisory Planning Service and pay a fee in order to invest directly in Price Funds and redeem or exchange shares. All investors in Price Funds indirectly pay asset management fees and other administrative and advisory fees to certain T. Rowe Price affiliates through investment in the Price Funds, regardless of whether they are implementing advice provided by TRP Advisory Services. Such fees and expenses are disclosed in each Price Fund prospectus and vary by Price Fund.

Any agreement with the client will take effect only when TRP Advisory Services receives a fully completed copy of the Client Profile. All fees payable as described in the Client Profile must be

submitted by check in order for TRP Advisory Services to begin providing the Advisory Planning Service. No analysis will begin until such conditions have been met.

At any time, if a client's circumstances have changed since the receipt of the initial Analysis and Recommendation or throughout the Advisory Review, the client may contact an Advisory Associate regarding the advisability of a new Analysis and Recommendation at no additional cost.

Termination. Clients may terminate their agreement before the receipt of the Analysis and Recommendation for any reason and without penalty and receive a full refund of any fees paid to TRP Advisory Services upon written notice to TRP Advisory Services at the following address:

T. Rowe Price Advisory Services, Inc.
P.O. Box 17566
Baltimore, MD 21297-1566

TRP Advisory Services reserves the right to terminate the Advisory Planning Service for any client for any reason. Any fees paid to TRP Advisory Services will be refunded to the client.

T. Rowe Price ActivePlus Portfolios Program

TRP Advisory Services does not charge a separate advisory fee for the discretionary investment management services provided to the Program Account, but will be compensated solely through the management fees earned in connection with the underlying Price Funds held in a client's Program Account. The client will pay the expenses of the underlying Price Funds in their Program Account, which are the same expenses that all fund shareholders pay. See "*Other Fees and Expenses*," below, for more information. The client is responsible for certain processing fees listed in the Brokerage Agreement and Disclosures, such as wire transfer fees, returned check fees, full account transfer (out of T. Rowe Price) fees, express mail delivery fees, etc. These fees will be itemized on client statements and deducted from the client's Program Account. The annual \$20 maximum account fees described in the prospectuses for the Price Funds, as well as the \$20 closeout fees described in the IRA Agreement, are waived for this Program.

TRP Advisory Services will use the Investor Classes of the Price Funds in the APP Program; portions of the service fees charged by the Investor Classes are used to pay for clearing charges for the client's Program Account. If a client is eligible for investment in a lower-cost share class based on their initial or continuing investment amount, TRP Advisory Services will transfer the assets in the client's Program Account into a portfolio with an identical asset allocation that is comprised of lower-cost share classes of all of the same underlying Price Funds, to the extent available. T. Rowe Price will monitor the investment amount in all of the client's identically registered Program Accounts and reserves the right to move the client's Program Account between share classes based on the total amount the client has invested in the APP Program. T. Rowe Price will not take into account any assets in Price Funds that are not part of the APP Program.

To the extent that investment management fees increase over and above amounts that have already been disclosed to clients in prospectuses for the Program Funds provided during the account opening process, clients will receive a notice specific to the APP Program, and be provided an opportunity to consent or withhold consent as required by exemptions issued by the U.S. Department of Labor or other applicable law.

TRP Advisory Services may influence the compensation of its affiliates through its choices of specific Price Funds, but in no event will those affiliates receive more in investment management fees than is disclosed in prospectuses provided to the client unless it receives the client's consent.

T. Rowe Price delivers prospectuses for those Price Funds eligible for inclusion in the APP Program to clients electronically. Not all such funds will be included in any specific model portfolio or Program Account.

If TRP Advisory Services determines to substitute a Price Fund not previously included in the APP Program for one that is included or add a new Price Fund not previously included, it will provide clients with notice and a copy of the prospectus. Unless the management fee of the new or substituted Price Fund exceeds the management fee of any fund already included in the APP Program within the same asset class (i.e., equity or fixed income), clients will not be required to provide consent to such substitution or addition. TRP Advisory Services will also provide notice to clients if a Program Fund is removed from the Program.

T. Rowe Price Investment Allocation Tool

TRP Advisory Services does not charge a separate advisory fee for the Investment Allocation Recommendation provided to the client as part of the IA-Tool. When recommending Price Funds, TRP Advisory Services will alert the client to the existence of lower cost share classes for which they may be eligible. If the client chooses to implement the Investment Allocation Recommendation (before such recommendation expires), Price Associates or its affiliates will be compensated through the management fees earned in connection with the underlying Price Funds held by the client. If the client implements the recommendation before it expires, the client will pay the expenses of the IA Tool Funds as disclosed in prospectuses provided to the client during the recommendation process. TRP Advisory Services' affiliates will not receive more in investment management fees as part of an Investment Allocation Recommendation than is disclosed in the above-referenced prospectuses. (If clients remain invested in the Price Funds, they will be notified of any fee changes in the same manner as all other shareholders.) See "*Other Fees and Expenses*," below, for more information.

Other Fees and Expenses. The Price Funds are included in portfolios recommended to clients by TRP Advisory Services for all three offerings: Advisory Planning Service, APP Program, and the IA Tool. Price Associates receives a fee from each Price Fund based upon the value of the Price Fund's assets. This fee is included in the expense ratio of each of the Price Funds and is the same for clients of TRP Advisory Services and other T. Rowe Price clients who invest in the Price Funds. These expenses are generally comprised of: a) investment management fees paid to T. Rowe Price affiliates based on the assets under management of the underlying funds; and b) servicing fees (for transfer agent, accounting, and custodial services, etc.) paid to T. Rowe Price affiliates and others. A Price Fund's investment management fee consists of two components: an

“individual fund fee,” which reflects a fund’s particular characteristics, and a “group fee,” which is calculated daily based on the combined net assets of all Price Funds (with certain exceptions). The group and individual fund fee schedules are graduated and decline as asset totals rise. However, if fund assets decline significantly, a fund’s management fee may rise. Details of mutual fund expenses, including the individual and group fee, can be found in each Price Fund’s prospectus, copies of which are provided to clients prior to investment. These expenses are not separately itemized or billed to clients; rather, the prospectuses show the cost of investing in each Price Fund and the published returns of mutual funds are shown net of their expenses. All Price Fund fees are subject to change. To the extent that servicing fees change or investment management fees decline, the client will receive notice of those changes through Price Fund shareholder reports, which will be delivered electronically.

Neither representatives of TRP Advisory Services, Price Associates nor any affiliated entity receive commission-based compensation for the sale of the Price Funds. Additional information regarding fees that clients pay indirectly to the Price Advisers through investment in their respective funds is provided under *Item 10 – Other Financial Industry Activities and Affiliations*.

The Price Advisers may seed or make an investment in Price Funds in which clients invest directly or through a discretionary account managed by the Price Advisers and the Price Advisers’ ownership percentage of such Funds may be significant. Senior management periodically reviews the Price Advisers’ participation in the Price Funds, the possible inherent conflicts and the decisions to seed, invest in, or redeem from the Price Funds. The Price Advisers may remain a significant shareholder in such funds for an indeterminate period of time.

Item 6 – Performance-Based Fees and Side-By-Side Management

Side-by-Side Management. The Price Advisers manage multiple strategies involving most asset classes and types of securities. Accordingly, we may make investment decisions across strategies and individual accounts that may vary based on specific client characteristics. We may take different action regarding portfolio implementation and further may take differing positions on the same security across multiple client accounts, which may include simultaneous transactions in different directions, often across strategies with different benchmarks and market capitalization requirements. We may also invest in different parts of an issuer’s capital structure (i.e., purchase, sell or have derivatives exposure in the same ultimate issuers across equity and fixed income markets.) Additionally, we may short either directly or synthetically in securities we also buy and hold long. We have adopted policies and procedures to address such conflicts of interest.

Potential conflicts can arise when the Price Advisers invest client assets in multiple parts of an issuer’s capital structure. For example, clients may own shares of an issuer’s common and preferred stock as well as senior bonds and bank debt. 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, for example when an issuer is in a distressed financial condition, involved in a merger or acquisition, or a going-private transaction, among other situations. In these situations, investment personnel are mindful

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

The Price Advisers may also manage certain funds and accounts that are seeded with T. Rowe Price's corporate money. Most of these portfolios are created to establish a performance track record to market a new product. These portfolios may be similar to other portfolios currently managed by the Price Advisers and may be trading in securities in which the Price Advisers trade for other discretionary clients. These portfolios are traded and receive allocations pursuant to the same policies and procedures the Price Advisers have in place to ensure that all clients are treated fairly. Oversight is in place to ensure that trading and allocations for the T. Rowe Price corporate portfolios are not favored over accounts managed for discretionary clients.

Performance-Based Fees. TRP Advisory Services does not currently offer or accept performance-based fee arrangements. However, certain affiliates of TRP Advisory Services may have clients who receive performance-based fees as further described in each affiliated adviser's respective Form ADV Part 2A.

Item 7 – Types of Clients

T. Rowe Price Advisory Planning Service

TRP Advisory Services provides the Advisory Planning Service regarding investments in the Price Funds to individuals and households with \$250,000 or more in investable assets at T. Rowe Price.

The Advisory Planning Service is **NOT** appropriate for the following individuals or circumstances:

- The Advisory Planning Service does not address the creation of a budget in retirement. Instead, retirement income projections assume that the client will adjust his or her lifestyle so that withdrawals do not deplete assets before the end of retirement. The Service is not appropriate for individuals who seek advice on how to develop and live in accordance with a budget. The Advisory Planning Service does not provide advice related to insurance coverage, tax planning, or estate planning. In particular, the retirement income projection engine is not designed to be a tax calculation tool. Accordingly, the Advisory Planning Service should not be considered a substitute for a comprehensive financial plan. The Advisory Planning Service addresses limited retirement planning needs and provides a retirement planning strategy that is focused on helping the client to better understand what it will require to attain his or her projected income needs in retirement.
- The projections of the various income strategies do not include allocations to tax-sensitive investments, and, therefore, the Advisory Planning Service may not be appropriate for investors whose tax bracket may suggest exposure to tax-free securities.

- Individuals with a majority of their assets in estate and corporate accounts, 529 plans, or employer-sponsored retirement plans who intend to leave those assets in such plan up to retirement. (Many employer-sponsored retirement plans limit fund options available for investment. It may be difficult or even impossible to implement any solution with the Price Funds presented in the Advisory Planning Service's recommendation.)

T. Rowe Price ActivePlus Portfolios Program

The APP Program is designed for individual investors with at least \$50,000 in cash or Price Funds available to invest, subject to change at TRP Advisory Services' sole discretion. The APP Program is generally available for individual retirement accounts to individual investors who reside in the U.S. The APP Program is not designed for short-term investing or as a cash management vehicle.

T. Rowe Price Investment Allocation Tool

The IA Tool is designed for individual investors. Clients are eligible for different Investment Allocation Recommendations depending on the client's stated investment amount: a multi-fund portfolio recommendation requires a stated investment amount of \$50,000 or more; a single fund recommendation requires a stated investment amount of \$2,500 or more for a general investment goal or \$1,000 or more for a retirement goal.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

T. Rowe Price Advisory Planning Service

Model Portfolio. Advisory Planning Service clients are mapped to one of 10 different model portfolios. The model portfolios were developed according to the principles of Modern Portfolio Theory and represent a series of strategies for long-term investors based on the behavior of different asset classes over time. The model portfolios range from aggressive allocations (e.g., portfolios that may include 100% in equity exposure) to more conservative allocations (e.g., portfolios that may include limited equity exposure). The allocation to equity seeks diversification across market capitalizations (e.g., large-, mid-, small-cap), sectors, and geographical regions. The allocation to fixed income also seeks diversification across sectors and regions, such as U.S. investment-grade, high-yield, non-U.S. developed, and emerging market bonds and have been developed by a group of T. Rowe Price professionals, including portfolio managers and CERTIFIED FINANCIAL PLANNER™ professionals with input from other investment professionals. Performance, volatility, and the correlation of returns are considered to provide target asset allocations for each model. Price Funds included in the model portfolios are selected to seek to provide a diversified portfolio with risk-adjusted performance and not to maximize return or predict the highest-performing fund or group of funds within each asset class. Risk-adjusted performance does not mean the investment has low risk or no risk, but instead may consider how the investment's performance compares to the performance of the market as a whole or relative to securities or investments with similar levels of risk. These

portfolios are reviewed from time to time and updated based upon various factors including economic, market, and political conditions and trends.

Analysis and Recommendation. The assigned Advisory Associate will review and discuss the information supplied by the client in the Client Profile and will develop and deliver the Analysis and Recommendation to address the client stated goals.

Each Analysis and Recommendation provides an inventory report of the client's current investments and asset allocation. In order to analyze a client's current portfolio allocation, we categorize current investments into three asset classes (stocks, bonds, short term securities) and sub-asset classes (for example, large-cap stocks, mid-cap stocks, and small-cap stocks). Price Funds are categorized into sub-asset classes based upon the primary objective of the mutual fund. Non- Price Funds and investments are generally categorized according to their Morningstar primary objective and classification. However, in some cases, when Morningstar categorizes the investment objectives of certain mutual funds as balanced or "hybrid," TRP Advisory Services may look through the non-Price Fund's holdings and categorize the fund by the percentage of holdings in each asset class or sub-asset class (for example, a fund with an allocation of 60% stocks and a 40% bonds would be categorized as such). Any percentage of holdings classified by Morningstar as "Other" is assigned to stocks. If an investment does not have a Morningstar classification, the client and Advisory Associate may agree on a categorization or it may be excluded from the analysis.

Additionally, based on the Client Profile and the client consultation, the Advisory Associate will recommend an asset allocation strategy and T. Rowe Price mutual fund(s) that best align with the client's retirement goals.

The asset allocation advice maps the client to a model portfolio—held across multiple account registrations—and provides target allocations to various asset classes and sub-asset classes. The investment recommendation corresponds to the target allocations and may consist of a portfolio of Price Funds or a T. Rowe Price Retirement Fund (a set of Price target date funds that are already allocated to underlying Price Funds). Retirement Funds will be recommended only when the client specifically indicates they are looking for an all-in-one fund solution. In any event, only Price Funds will be recommended, and such recommendations are made without regard to the choice of investments available at any other financial institutions or in any retirement plans in which the client participates, except to the extent the client is currently holding a Price Fund in their retirement plan.

T. Rowe Price will consider assets that the client identifies as part of the Client Profile and client consultation as part of the asset allocation recommendation but will not provide fund-level recommendations for non-Price Fund assets or assets held within employer-sponsored plans at T. Rowe Price.

Although the overall composition of the model portfolios will generally not change, the target allocations for each model portfolio may be adjusted from time to time, consistent with a long-term asset allocation approach, by a committee of investment professionals. We generally do not adjust the allocations of model portfolios in response to market stress events. Any changes to the

allocations of the model portfolios will be made on a prospective basis and will not be applied to recommendations already made; however, any applicable changes will be reflected through the ongoing Advisory Checkup service (described more fully below). The allocation in a Price Retirement Fund may change over time according to a predetermined glide path managed by the Price Retirement Funds' Investment Advisory Committee.

Investment Strategies – the Goal Planning Strategy. If a client selects a “Retirement Savings” goal, “Transitioning to Retirement” goal, or “Retirement Income” goal in their Client Profile, we will provide retirement savings or income estimates based on information from the Client Profile or client consultations. The Retirement Income Estimates provide an educational component of the Analysis and Recommendation, not advice. For a description of the methodology underlying the retirement income projections, see the Advisory Planning Service Methodology document, which is available on the troweprice.com website.

Advisory Checkup Service. Upon completion and implementation of the Analysis and Recommendation review, the client will be enrolled in the Advisory Checkup service (more fully described below under *Item 13 - Review of Accounts*).

Risk of Loss. The projections and simulations that form the basis of the Analysis and Recommendation are not intended to be an indication of past or future investment results. Although TRP Advisory Services believes the projected or simulated results are reasonable, there can be no assurance the projected amounts and asset levels can be achieved for any one year or sustained for any period of time.

It is the responsibility of the client to determine whether to implement a recommendation, and, if so, to monitor their portfolio as needed. It is also the client's decision to implement a recommended asset allocation strategy by purchasing shares of the Price Funds. TRP Advisory Services and its affiliates have no discretion with respect to the implementation of any client recommendation or alternate strategy under the Advisory Planning Service, including a particular withdrawal strategy.

T. Rowe Price ActivePlus Portfolios Program

Model Portfolios. There are approximately 10 model portfolios that are recommended to APP Program clients that correspond to the time horizon and risk tolerance that each client provides as part of the APP Program's online account opening process. The APP Program offers multiple model portfolios to seek to satisfy a wide variety of client needs, ranging from the most aggressive portfolios (e.g., portfolios that may include 100% in equity exposure) to more conservative portfolios (e.g., portfolios that may include limited equity exposure). In general and subject to change, the model portfolios will be allocated to mutual funds that invest in two primary asset classes:

- Equities (including U.S. and foreign stocks); and
- Fixed income securities (including bonds of all types and maturities, lower-quality debt securities, and cash).

Model portfolios are constructed from Program Funds to create a series of broadly diversified portfolios with distinct risk and return profiles depending on the ratio of equity to fixed income within the portfolio. For each model portfolio, the allocation to equity seeks diversification across market capitalizations (e.g., large-, mid-, small-cap), sectors, and geographical regions. The allocation to fixed income also seeks diversification across sectors and regions, such as U.S. investment-grade, high-yield, non-U.S. developed, and emerging market bonds. TRP Advisory Services assigns a neutral allocation to each model portfolio at the asset and sub-asset class levels (the asset and sub-asset allocations for the client's assigned model portfolio are provided during the account opening process), and within the framework of neutral allocations, we make tactical allocation decisions based on market outlook. At its discretion, TRP Advisory Services may adjust the neutral allocations of model portfolios, remove or add Program Funds to model portfolios, or substitute any current fund in a model portfolio with another Program Fund. We generally do not adjust the allocations of model portfolios in response to market stress events. The Program is not required to include any particular Price Fund and we undertake no obligation to evaluate non-Program Funds for inclusion in the APP Program. It is expected that Program Accounts will be invested in approximately eight to thirteen Program Funds, depending on the number of funds that comprise a model portfolio, although the number of funds in each model portfolio may change from time to time. TRP Advisory Services will buy and sell shares of the Price Funds in the client's Program Account to align with the allocation of the model portfolio to which the client has been assigned after their Program Account is opened, and we will continuously monitor and periodically rebalance it to maintain alignment with the recommended model portfolio's asset and sub-asset allocations, subject to dispersion limits we establish from time to time. TRP Advisory Services can change its rebalancing methodology at its discretion without notice to the client.

There is no guarantee the model portfolios will meet their investment objectives or will result in positive returns. Not all model portfolios will be suitable for all clients. (See Risk of Loss for more information about the risks related to model portfolios.)

T. Rowe Price Investment Allocation Tool

The IA Tool will generate the following Investment Allocation Recommendations based on the client's responses to the IA Tool Questionnaire including, if eligible, the client's choice of a multi-fund portfolio or a single fund:

1. A multi-fund portfolio with a static asset allocation consisting of between four and seven IA Tool Funds ("**Multi-Fund Portfolio**");
2. A single IA Tool Fund with a diversified, static asset allocation ("**Single IA Tool Fund**"); or
3. A single IA Tool Fund (either a T. Rowe Price Retirement Fund ("**Price Retirement Fund**") or a T. Rowe Price Target Fund ("**Price Target Fund**") whose asset allocation is adjusted over time along a predetermined glidepath (this option will be recommended for retirement goals only).

The Multi-Fund Portfolio recommendation requires a stated investment amount of \$50,000 or more; a Single IA Tool Fund recommendation requires a stated investment amount of \$1,000 or

more for a retirement goal (investing for the purpose of accumulating assets to be used during retirement) or \$2,500 or more for a general investment goal (investing for the purpose of accumulating assets and/or generating income to be used for a goal other than retirement).

Each type of Investment Allocation Recommendation, and the availability of each, is described below.

Multi-Fund Portfolio. There are approximately 10 Multi-Fund Portfolios that the IA Tool can recommend, depending on the client's responses to the IA Tool Questionnaire. The IA Tool offers multi-fund portfolios to seek to satisfy a wide variety of client needs, ranging from the most aggressive portfolios (e.g., portfolios that may include 100% in equity exposure) to more conservative portfolios (e.g., portfolios that may include limited equity exposure). In general and subject to change, the portfolios will be allocated to mutual funds that invest in two primary asset classes:

- Equities (including U.S. and foreign stocks); and
- Fixed income securities (including bonds of all types, credit qualities and maturities, and cash).

The Multi-Fund Portfolios are constructed from IA Tool Funds to create a series of portfolios with distinct risk and return profiles depending on the ratio of equity to fixed income within the portfolio. For each Multi-Fund Portfolio, the allocation to equity seeks diversification across market capitalizations (e.g., large-, mid-, small-cap), sectors, and geographical regions. The allocation to fixed income also seeks diversification across sectors and regions, such as U.S. investment-grade, high-yield, non-U.S. developed, and emerging market bonds. The Multi-Fund Portfolios represent a series of strategies based on the behavior of different asset classes over time and have been developed by a group of T. Rowe Price professionals, including portfolio managers and CERTIFIED FINANCIAL PLANNER™ professionals with input from other investment professionals. Performance, volatility, and the correlation of returns are considered to provide target asset allocations for each model. IA Tool Funds included in the Multi-Fund Portfolios are selected to seek to provide a diversified portfolio with risk-adjusted performance and not to maximize return or predict the highest-performing fund or group of funds within each asset class. Risk-adjusted performance does not mean the investment has low risk or no risk, but instead may consider the investment's performance to the performance of the market as a whole or relative to securities or investments with similar levels of risk. It is expected that the Multi-Fund Portfolios will consist of approximately four to seven IA Tool Funds, although the number of funds in each portfolio may change from time to time. The portfolios, including their target allocations, are reviewed and may be adjusted from time to time by a committee of investment professionals based upon various factors, including economic, market, and other conditions and trends to ensure they are still appropriate. We generally do not adjust the allocations of model portfolios in response to market stress events. Any changes to the model portfolios will be made on a prospective basis and will not be applied to recommendations already made. If clients choose to implement the Investment Allocation Recommendation, they are responsible for monitoring their asset allocation and making adjustments to it as their financial situation

changes. Clients may retake the IA Tool Questionnaire at any time to receive another Investment Allocation Recommendation.

Single IA Tool Fund. If a client selects the Single Fund option and does not want a recommendation for a fund with a dynamically adjusting asset allocation, TRP Advisory Services will recommend one IA Tool Fund with a diversified, static asset allocation that corresponds to the client's risk tolerance and time horizon as reported in their IA Tool Questionnaire.

Price Retirement Fund or Price Target Fund. If a client has a retirement goal and requests a recommendation for a mutual fund with an asset allocation that automatically adjusts to be more conservative over time, TRP Advisory Services will recommend either a Price Retirement Fund or Target Fund (all such funds are IA Tool Funds) based on the client's age. The allocation in these funds will change over time according to a predetermined glide path managed by the funds' Investment Advisory Committee.

There is no guarantee that an Investment Allocation Recommendation will meet the client's investment objectives or will result in positive returns. (See Risk of Loss for more information about the risks related to the portfolios and Price Funds.)

Risk of Loss. TRP Advisory Services does not guarantee positive investment results, or that the objectives of the underlying Price Funds or the model portfolios will be met for any of its three offerings: Advisory Planning Service, APP Program, and the IA Tool. All investment strategies employed by TRP Advisory Services involve risk of loss; clients should be prepared to bear such losses in connection with investments in these strategies. In general, all the investment strategies managed by TRP Advisory Services are subject to the list of investment risks discussed below. However, investment strategies with higher concentrations of equity have greater exposure to the risks associated with equity investments, such as stock market volatility. On the other hand, investment strategies that have higher exposure to fixed income will have greater exposure to the risks associated with those products, such as credit risk, bond investment risk, and changes in interest rates. All strategies are ultimately affected by impacts to the individual issuers of underlying holdings, such as changes in an issuer's profitability and credit quality, or changes in tax, regulatory, market, or economic developments. Investment in individual securities by the Price Funds (including commodities, derivatives, investment contracts, and bank loans) involves risk of loss of the principal of such investments. Multiple factors contribute to investment risk for all Price Fund strategies and additional factors contribute to investment risk for specific Price Fund strategies. Risks associated with investment in any of the Price Funds are described in the prospectus for each fund (a copy of which is provided to each client prior to investment of a client's assets in a Price Fund) and the Statement of Additional Information ("SAI"), which is incorporated by reference into the prospectus. A copy of the SAI is available upon request. A mutual fund's past performance is not a guarantee of future performance and there is no guarantee that a client's account will perform in a particular manner.

The actual investment returns and income will fluctuate and will result from a number of factors, including the actual asset allocation, the investments chosen, the fees and expenses associated with those investments, and future economic and market conditions. Any statements prepared

will not follow generally accepted accounting principles and will not be audited. Accordingly, they should not be relied upon by third parties to evaluate a client's creditworthiness and should not be used for any purpose other than to assist the client in developing their investment strategy. Clients retain full ownership of their Price Fund shares with the authority to vote their shares and transact as the shareholder or contract holder of record.

Risks of investing include, but are not limited to, the following:

All Strategies (U.S. and International Equity and Fixed Income)

Cyber security Risk: With the increased use of technologies such as the Internet to conduct business, T. Rowe Price is susceptible to operational, information security, and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and may arise from external or internal sources. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information; corrupting data, equipment, or systems; or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting T. Rowe Price, or any other service providers (including, but not limited to, accountants, custodians, transfer agents, and financial intermediaries used by a fund or an account) have the ability to cause disruptions and affect business operations, potentially resulting in financial losses, interference with the ability to calculate NAV, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which a fund or account invests, counterparties with which a fund or account engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers), and other parties.

Derivatives: Certain Price Funds contain derivatives. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, bond, or currency); a physical asset (such as gold, oil, or wheat); or a market index (such as the S&P 500® Index). Investments in derivatives may subject these funds to risks different from, and possibly greater than, those of the underlying securities, assets, or market indexes. Some forms of derivatives, such as exchange-traded futures and options on securities, commodities, or indexes, have been trading on regulated exchanges for decades. These types of derivatives are standardized contracts that can easily be bought and/or sold, the market values of which are determined and published daily. Non-standardized derivatives (such as swap agreements), on the other hand, tend to be more specialized or complex, and may be more difficult to value. Derivatives may involve leverage because they can provide investment exposure in an amount exceeding the

initial investment. As a result, the use of derivatives may cause these funds to be more volatile, because leverage tends to exaggerate the effect of any increase or decrease in the value of a fund's portfolio securities.

Equity Strategies

Stock Investments: Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments. Value and growth stocks can perform differently from other types of stocks. Growth stocks can be more volatile. Value stocks can continue to be undervalued by the market for long periods of time. In addition, stock investments may be subject to risk related to market capitalization as well as company-specific risk.

Fixed Income Strategies

Bond Investments: In general, the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) The ability of an issuer of a bond to repay principal prior to a security's maturity can cause greater price volatility if interest rates change, and, if a bond is prepaid, a bond fund may have to invest the proceeds in securities with lower yields. Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so holding them until maturity to avoid losses caused by price volatility is not possible. In addition, investments in certain bond structures may be less liquid than other investments, and therefore may be more difficult to trade effectively.

Credit Risk: Changes in the financial condition of an issuer or counterparty, and changes in specific economic or political conditions that affect a particular type of security or issuer, can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's credit quality or value. Lower-quality debt securities and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer.

Money Market Funds: Clients could lose money by investing in money market funds. Although they seek to preserve the value of a client's investment at \$1.00 per share, money market funds cannot guarantee they will do so. An investment in money market funds is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. A money market fund's sponsor has no legal obligation to provide financial support to the fund, and clients should not expect that the sponsor will provide financial support to the fund at any time.

International Strategies (and U.S. Strategies investing in Non-U.S. Dollar securities)

Foreign Exposure: Foreign securities are subject to interest rate, currency exchange rate, economic, regulatory, and political risks, all of which may be greater in emerging markets. These risks are particularly significant for funds that focus on a single country, region, or emerging markets. Foreign markets may be more volatile than U.S. markets and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile. Foreign exchange rates can also be extremely volatile.

Chief Risk Officer. T. Rowe Price has a comprehensive risk management program in place to ensure adequate controls and independent risk oversight throughout the organization. The Chief Risk Officer (“**CRO**”) provides leadership and oversight of business (including cyber security and business continuity) and investment risk management activities across all business units. The Enterprise Risk Management Group, on behalf of the CRO, partners with investment and business units to identify risks, understand how these risks are managed, and implement enterprise-level solutions that seek to mitigate exposure to significant risks.

The CRO also chairs the Risk Management Oversight Committee, which is made up of senior business leaders from across the firm, and together they set the firm’s risk management strategy and oversee risk efforts on behalf of the T. Rowe Price Group, Inc., Board of Directors, CEO, and Management Committee.

Business Continuity Management. T. Rowe Price has established an internal Business Continuity organization which includes an executive charged with implementation and coordination of all Business Continuity activities as well as a Business Continuity Governance Committee (“**BCGC**”). The BCGC serves as the final decision-making body for all activities related to business continuity, subject to the oversight of T. Rowe Price’s Management Committee.

T. Rowe Price has an established global business continuity strategy which is supported by appropriate policies and procedures. An enterprise-wide Business Continuity organizational structure has been established to ensure execution of the strategy.

The major objectives of T. Rowe Price’s Business Continuity organization are to:

- provide a framework for global crisis management and business continuity planning;
- provide for the safety and welfare of personnel during an interruption or crisis;
- oversee the proper maintenance of business and technology recovery plans for the recovery of essential activities and vital services;
- establish external recovery options when internal resources are not available or feasible; and
- ascertain compliance with regulatory obligations and guidelines.

Item 9 – Disciplinary Information

Neither TRP Advisory Services nor its management persons have been the subject of legal or regulatory findings, or are the subject of any pending criminal proceedings that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our firm. (Additional information regarding any pending litigation is provided in Part 1A of Form ADV, which is available to clients upon request.)

From time to time, our firm is involved in regulatory examinations or litigation that arise in the ordinary course of our business.

In the event that we become aware of any regulatory matters or litigation that we believe would be material to an evaluation of our advisory business, we promptly notify all clients or prospects affected by those events, subject to applicable law and regulation. It is conceivable that we could choose to disclose a regulatory matter or litigation to one client but not another based on the materiality of the matter relative to the services we provide to a particular client.

Item 10 – Other Financial Industry Activities and Affiliations

Registration of Management Persons as Registered Representatives of a Broker-Dealer. Certain of the Price Advisers' management persons are registered, or have an application pending to register, as registered representatives of Investment Services.

Investment Advisers. TRP Advisory Services is registered as an investment adviser under the Advisers Act and notice files in multiple states as required. TRP Advisory Services provides non-discretionary and discretionary advice regarding the Price Funds for which an affiliated investment adviser may serve as adviser or subadviser. Such affiliated investment advisers and their local regulators are as follows:

Price Associates is an investment adviser registered under the Advisers Act and a wholly owned subsidiary of Price Group. Price Associates provides investment management services for individual and institutional investors and sponsors the Price Funds and serves as the investment adviser to the Price Funds. Price Associates also may delegate investment management to one of its affiliated advisers when appropriate: Price International Ltd, Price Hong Kong, or Price Singapore. Because of the special nature of the respective investment portfolios, one or more of the Price Funds are frequently included in portfolios recommended to clients through TRP Advisory Services. Price Associates or one of its affiliated advisers receives a fee from each Price Fund based upon the value of the assets in a particular Price Fund.

Price International Ltd is an investment adviser registered under the Advisers Act and a wholly owned subsidiary of Price Associates. Price International Ltd is also authorized and regulated by the U.K. Financial Conduct Authority ("FCA"), various European Union financial services regulators, the Japan Financial Services Authority, and the Kanto Local Finance Bureau, among others. Price International Ltd provides investment

management services to institutional investors and commingled products and may delegate investment management to one of its affiliated investment advisers when appropriate. Price International Ltd may also serve as subadviser for certain other commingled products, including the Price Funds for which Price Associates serves as adviser. Price International Ltd also provides investment management services to Japanese investment trusts and other Japanese institutional investors.

Price Hong Kong is an investment adviser registered under the Advisers Act and a wholly owned subsidiary of Price International Ltd. Price Hong Kong is a Hong Kong limited company licensed by the Securities and Futures Commission (“SFC”). Price Hong Kong provides investment management services for clients who seek to invest in global securities markets. It may also act as subadviser to certain investment companies and other commingled products for which Price Associates, Price International Ltd or Price Canada serves as adviser.

Price Singapore is an investment adviser registered under the Advisers Act and a wholly owned subsidiary of Price International Ltd. Price Singapore is a Singapore limited private company licensed by the Monetary Authority of Singapore (“MAS”). Price Singapore provides investment management services for clients seeking to invest in global securities markets. It may also act as subadviser to certain investment companies and other commingled products for which Price Associates, Price International Ltd or Price Canada serves as adviser.

Other investment advisers affiliated with TRP Advisory Services include:

Price Canada is an investment adviser registered under the Advisers Act and a wholly owned subsidiary of Price Associates. Price Canada is also registered with the Ontario, Manitoba, British Columbia, Alberta, Nova Scotia, New Brunswick, Newfoundland and Labrador, and Prince Edward Island Securities Commissions, the Saskatchewan Financial and Consumer Affairs Authority, and the Autorité des Marchés Financiers in Quebec. Price Canada offers Canadian domiciled pooled vehicles and provides advisory services to institutional clients residing in Canada and delegates investment management services to Price Associates, Price International Ltd, Price Hong Kong, or Price Singapore.

TRP Advisory Services and its affiliated advisers are not currently registered with the Commodity Futures Trading Commission as commodity pool operators (“CPOs”) or commodity trading advisors (“CTAs”).

Broker-Dealer. TRP Advisory Services is not registered as a broker-dealer under federal or state securities laws that govern the operations of broker-dealers.

Investment Services, a Maryland corporation, is a wholly owned subsidiary of Price Associates, originally organized for the purpose of acting as principal underwriter and distributor for the Price Funds, the U.S. registered investment companies which Price Associates sponsors and serves as investment adviser. Currently, Investment Services also provides introducing brokerage services to complement the other services provided to shareholders of the Price Funds.

Investment Services also serves as distributor for certain Section 529 College Savings Plans. It does not charge commissions for the purchase, sale, or exchange of Price Fund shares.

Investment Services is registered as a broker-dealer under the Securities Exchange Act of 1934 and is a member of **FINRA**. Clients must establish a brokerage account with Investment Services in order to participate in the APP Program and all transactions for the APP Program will be executed through Investment Services.

Affiliates. Because our clients and our personnel are located around the world, we conduct business through a number of affiliated entities licensed to offer services in various jurisdictions and to perform particular business functions. Though legally distinct, our affiliates function as a unified, global business. Our affiliates often engage one another to assist in managing client mandates. For example, affiliated personnel often provide research, portfolio management or trading services to a client account. From time to time, investment management, client liaison, account administration and investment monitoring services are delegated to an affiliated entity. When we delegate portfolio management responsibilities to an affiliate, we will notify you and take steps to ensure that the delegation complies with all applicable laws.

Other. T. Rowe Price Retirement Plan Services, Inc. (“**Retirement Plan Services**”), a wholly owned subsidiary of Price Associates, is registered as a transfer agent under Section 17A of the Securities Exchange Act of 1934. It provides recordkeeping, subtransfer agent, and administrative services to administrators of qualified retirement plans, certain governmental retirement plans, and other retirement plans.

Trust Company, a wholly owned subsidiary of Price Associates, is a Maryland-chartered limited-purpose trust company. Under its charter, it is not permitted to accept deposits or make commercial loans. Trust Company serves as directed trustee and/or custodian for certain qualified employee benefit plans, including prototype IRA, Education Savings Accounts, Roth IRA, Keogh, 401(k), 403(b), and other retirement plans for which Retirement Plan Services may provide recordkeeping, participant accounting, and communication services. The Trust Company sponsors common trust funds for investment in securities of international issuers.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Price Group maintains a Code of Ethics and Conduct (“**Code**”) applicable to all T. Rowe Price affiliates, including TRP Advisory Services. The Code complies with Rule 204A-1 under the Advisers Act and Rule 17j-1 under the Investment Company Act of 1940 and outlines appropriate standards of conduct for personnel and certain other individuals associated with Price Group. The Code sets forth certain restrictions on activities, such as personal trading and gifts and entertainment. Compliance with the Code is a condition of employment for all personnel. Key provisions of the Code are summarized below. The Legal Department provides the Code to all personnel via the T. Rowe Price Intranet site and requires all personnel to complete an annual verification that certifies their understanding of, and adherence to, the Code. Price Group has a policy that all personnel must participate annually in continuing education training relating to the

Code. The Legal Department provides notices of all material amendments to the Code to personnel.

The Code addresses many areas of conduct, such as Price Group's policy regarding conflicts of interest, personal securities transactions, the acceptance and provision of gifts and entertainment, political contributions, material non-public information, confidentiality, privacy, and the reporting of Code violations. A copy of the Code is available to any client or prospective client upon request.

Personal Trading. The Code contains a detailed description of the firm's requirements and its monitoring of personal securities transactions, including pre-clearance and reporting requirements applicable to securities transactions based on a person's classification as investment personnel, access person (as defined by the SEC), or non-access person; and filing by access persons of an annual personal securities report, certifying personal securities holdings and securities accounts.

The Code requires access persons to obtain prior clearance before engaging in most personal securities transactions. Requests for prior clearance are submitted via the firm's pre-trade approval system. Certain securities are exempt from prior clearance, such as open-end mutual funds and variable annuities, U.S. government securities, systematic investment plans, employee spouse stock option exercises, and a limited number of ETFs.

The Code also requires prior clearance of initial public offerings ("IPOs") and private placements, and initial and continuous reporting of reportable securities holdings by investment personnel and other access persons. Price Associates has adopted procedures necessary to prevent its investment personnel and other access persons from violating the Code.

Gift and Entertainment. The Code places restrictions on the receipt of gifts, travel and entertainment opportunities by our personnel. Our personnel occasionally participate in entertainment opportunities that are for legitimate business purposes, subject to limitations set forth in the Code.

Political Contributions. Additionally, for compliance with SEC Rule 206(4)-5 of the Advisers Act ("Pay to Play Rule"), Price Group has established prior clearance and reporting obligations for political contributions by personnel.

State lobbying laws require disclosure as to the identities, activities, and expenditures of individuals attempting to influence the governmental decision making process regarding the appointment of investment managers. TRP Advisory Services and its affiliated advisers will register with various jurisdictions where we believe our activities fall under such requirements.

Investment of Client Assets in Price Securities. Information regarding investment of client assets in the Price Funds is provided above in *Item 5 – Fees and Compensation*, and *Item 10 – Other Financial Industry Activities and Affiliations*. The Price Advisers do not purchase shares of their publicly traded parent company, Price Group, for their clients with active investment strategies.

Investment by T. Rowe Price and Its Personnel in Products We Manage. Our personnel, including portfolio managers and other investment personnel, invest in the Price Funds, including the Funds they manage. These investments are made directly by our personnel and through the T. Rowe Price Retirement Plan which invests primarily in the Price Funds. While personnel who invest in Price Funds have an incentive to favor those accounts in order to obtain a personal benefit, these investments also help to align those individuals' interests with those of our clients.

The Price Advisers may also manage certain funds and accounts that are seeded with T. Rowe Price's corporate money. These portfolios are most often created to establish a performance track record to market a new product. The Price Advisers' ownership percentage may be significant for an unspecified period and the Price Advisers may elect to redeem all or a portion of their investment at any time. Additionally the Price Advisers may invest corporate assets in a fund for investment purposes on behalf of our corporate holding company T. Rowe Price Group, Inc. These investments may be withdrawn over a period of time or remain as a percentage of the assets of these products for indeterminate periods. The corporate assets may be the largest investment in the fund or product for significant periods of time. These portfolios may be similar to other portfolios currently managed by the Price Advisers and may be trading in securities in which the Price Advisers trade for other discretionary clients. These portfolios are traded and receive allocations pursuant to the same policies and procedures the Price Advisers have in place to ensure that all clients, including the T. Rowe Price corporate portfolios, are treated fairly. Oversight is in place to ensure that trading and allocations for the T. Rowe Price corporate portfolios are in no way favored over accounts managed for discretionary clients.

Valuation of Private Securities. The Price Advisers have a valuation committee that oversees the pricing of private securities. This committee is comprised of multiple departments including Treasury, Equity, Fixed Income and Global trading personnel. The committee conducts proactive periodic reviews of private security investments; event specific reviews; and market event reviews to ensure we are properly valuing such investments. The valuation reviews are made more difficult by private issuer's sensitivity around disclosing nonpublic financial and operational information. Further such information may be released at irregular intervals as opposed to publicly held companies subject to accounting and disclosure standards as well as information release rules tied to their public listing on a recognized market. The Price Advisers acknowledge that differences can occur in how one party values private securities as opposed to another party. We note that many large institutional clients hold the same private security across multiple managers, all of whom may value the security differently.

Other Potential Interests. From time to time, the Price Advisers may manage assets for or invest client assets in the securities of companies that have appointed one of the Price Advisers or an affiliate to serve as investment adviser, trustee, or recordkeeper or which act as service providers or vendors to the Price Advisers or an affiliate. Additionally, directors serving on the boards of the Price Funds or Price Group may also serve on boards of publicly traded entities in which the Price Advisers invests client assets. Personnel of the Price Advisers may serve on creditor committees for issuers in which client assets may be invested and which are filing for bankruptcy. Additionally, personnel of the Price Advisers or their family members may have certain relationships with entities the firm does business with, including clients, broker-dealers,

non-profit organizations, and vendors. The annual compliance certification completed by persons subject to the Code includes various questions regarding such relationships. Where deemed relevant, these relationships are reported to the T. Rowe Price Ethics Committee for further discussion. While the situations described in this paragraph present potential conflicts of interest, the Price Advisers must manage a client's assets in accordance with its fiduciary obligations.

The Price Advisers provide customary marketing and training support payments to certain clients, primarily subadvisory clients.

From time to time, the Price Advisers may donate to charitable organizations that are clients or are supported by clients, prospects, consultants or their employees. In general, donations are made in response to requests from one of those parties. We take into consideration the importance of the business relationship as one factor in determining whether to approve a charitable contribution. All such donations are reviewed and approved by appropriate Legal and Compliance personnel, up to and including the Chief Compliance Officer.

Personnel of the Price Advisers may hold positions with industry groups or committees which deal with advocacy issues applicable to the Price Advisers.

Services For Other Clients. The Price Advisers may give advice and take action for clients, including registered investment companies and other pooled investment vehicles, which differs from advice given or the timing or nature of action taken for other clients. The Price Advisers are not obligated to initiate transactions for clients in any security which its principals, affiliates or employees may purchase or sell for their own accounts or for other clients.

Item 12 – Brokerage Practices

TRP Advisory Services does not select or recommend broker-dealers for client transactions, nor does TRP Advisory Services determine the reasonableness of broker-dealer compensation for client transactions. However, in order to participate in the APP Program, clients must establish a brokerage account with Investment Services. A third-party broker has custody of the APP Program client's assets and will perform certain services for the benefit of the client's Program Account, including the implementation of discretionary management instructions, as well as custodial and related services. TRP Advisory Services and Investment Services personnel may share premises and may have common supervision. Clients should carefully review all statements and other communications received from Investment Services and the broker.

Research Benefits. TRP Advisory Services does not perform any client securities transactions and, therefore, does not receive research or other products or services from any broker-dealers or research providers.

Broker-dealers provide a wide range of research services to Price Associates and its affiliated advisers in their capacity as discretionary advisers and subadvisers to the Price Funds. Information regarding research benefits provided to Price Associates and its affiliated advisers is

located in each adviser's respective Form ADV Part 2A, a copy of which is available upon request.

Directed Brokerage. As noted above, clients must establish a brokerage account with Investment Services in order to participate in the APP Program and all transactions for the APP Program will be executed through Investment Services and a third-party broker unaffiliated with T. Rowe Price will provide clearing services of the securities positions for the Program Account.

Item 13 – Review of Accounts

T. Rowe Price Advisory Planning Service

Upon completion and implementation of the Analysis and Recommendation review (described above under *Item 8 — Methods of Analysis, Investment Strategies, and Risk of Loss*), the client will be enrolled in the Advisory Checkup service. This complimentary service will allow the client to monitor their progress toward a retirement savings or spending goal and compare their current asset allocation with a recommended model portfolio. The service primarily will be accessed via the T. Rowe Price website and requires the client to be a registered user at troweprice.com. Advisory Associates will be available to assist clients with their review and alternative delivery methods will be made available for clients without access to the T. Rowe Price website. After the receipt of an Analysis and Recommendation, clients must notify an Advisory Associate of changes to their financial circumstances in order to obtain a new Analysis and Recommendation, if applicable.

T. Rowe Price ActivePlus Portfolios Program

On a quarterly basis, TRP Advisory Services will contact clients to remind them to review and update the Client RTQ Information previously provided. TRP Advisory Services will also ask clients to reconfirm the same information on an annual basis. These notifications and confirmations will require clients to access their Program Account online in order to view their current Client RTQ Information and contact information. If a client does not make any changes to their risk tolerance and time horizon, TRP Advisory Services will continue to manage the client's Program Account according to the most recent information provided by the client. For example, if a client indicates in their most recent RTQ responses that their time horizon for the Program Account is 20 years and the client does not update that information the following year, we will maintain the client's Program Account in the model portfolio recommended to the client consistent with a 20-year time horizon. Even though the client's time horizon may change with the ordinary passage of time, we will not adjust a client's time horizon or the associated model portfolio used to manage the client's Program Account year-over-year, unless the client updates their time horizon.

TRP Advisory Services' investment management is based on the completeness and accuracy of the information clients provide regarding their time horizon and risk tolerance. Clients should contact the APP Program through the APP Program's website with any changes to their time horizon or risk tolerance to ensure that TRP Advisory Services is managing their Program

Account based on the most accurate information available. Clients should update and monitor their Program Account online through the use of the APP Program's website; clients may also contact the APP Program with any questions about their Program Account through this website. A dedicated client manager is not assigned to each client, but client managers are available weekdays between 8 a.m. and 6 p.m. ET to answer questions.

T. Rowe Price Investment Allocation Tool

TRP Advisory Services does not provide ongoing monitoring or reviews of accounts through the IA Tool. If the client chooses to implement the Investment Allocation Recommendation, it is the client's responsibility to monitor the investment to determine if it continues to be appropriate for them.

Item 14 – Client Referrals and Other Compensation

The Price Advisers rely primarily on the business development and marketing activities of our personnel to solicit new business.

From time to time, the Price Advisers may enter into written referral agreements pursuant to which they may pay a fee for introductions to certain prospective clients that lead to formal investment management mandates. In the event the Price Advisers enter into such agreements, the terms of the arrangement, including the fee structure, will be disclosed to all such affected prospective clients prior to their execution of the investment management agreement and in accordance with applicable law. A Price Adviser may have other business relationships with entities with which another Price Adviser may have referral fee arrangements.

Item 15 – Custody

TRP Advisory Services does not act as a custodian for client assets and does not have physical custody of client funds or securities at any time. However, TRP Advisory Services may be deemed to have custody of client funds or securities as defined in Rule 206(4)-2 of the Advisers Act ("**Custody Rule**"), and accordingly is subject to an annual surprise examination by an independent public accountant as further detailed below.

TRP Advisory Services has or may be deemed to have custody of certain clients' assets when:

- it is authorized by clients to directly withdraw its advisory fees from client accounts or to instruct the qualified custodian to pay client expenses;
- in its capacity as adviser, it receives client authorization to invest client assets in the Price Funds; and
- clients establish brokerage accounts with Investment Services and TRP Advisory Services utilizes Investment Services (as the introducing broker-dealer) for account transactions.

The accounts for which TRP Advisory Services may be deemed to have custody are included in the pool of accounts eligible for the annual surprise examination unless an applicable exemption from the audit is available. A sample of the audit eligible accounts is selected from the pool and subjected to the audit process. TRP Advisory Services has retained an independent public accountant to conduct the Custody Rule audit and report to the SEC regarding such audit on Form ADV-E, as required.

The independent public accountant is responsible for selecting the audit sample from the pool of eligible accounts and for confirming the adviser is in compliance with the procedural requirements of the Custody Rule. This includes, among other things, confirming TRP Advisory Services has a reasonable basis for believing the qualified custodians are sending account statements at least quarterly, where applicable, and confirming account statements sent to clients by Price Associates are accurate.

The Price Advisers annually request confirmation that each client's qualified custodian sends required periodic account statements. The Price Advisers strongly urge all of their clients to carefully review and reconcile account statements from their qualified custodians, the Price Funds' transfer agent and/or other service providers, as applicable, with account statements received from the Price Advisers. If there are discrepancies between a client's custodian statement and their Price Advisers' account statement, the client should contact their custodian or the Price Advisers for more information.

From time to time, the Price Advisers may inadvertently receive client assets from third-parties. The Price Advisers have appropriate policies and procedures which provide for prompt forwarding of such assets to the client (or the former client), the client's qualified custodian, or returning such assets to the appropriate third party.

Item 16 – Investment Discretion

Different advisory services offered by TRP Advisory Services may use different Price Funds and recommend different asset allocations depending on the unique characteristics of the specific service.

T. Rowe Price Advisory Planning Service

TRP Advisory Services is a non-discretionary adviser as it relates to the Advisory Planning Service and does not manage any client assets.

T. Rowe Price ActivePlus Portfolios Program

TRP Advisory Services provides discretionary investment management services for clients enrolled in the APP Program. These services include determining the appropriate asset, sub-asset, and fund allocations for a client's Program Account based on the client's most recent response to the RTQ and investing the client's Program Account solely in Price Funds. Clients have the opportunity to impose certain allowable restrictions on the management of their

Program Account, and to change such restrictions, subject to TRP Advisory Services' acceptance of any such restriction or change. Specifically, clients may request prohibitions with respect to the purchase of a particular Price Fund or Price Funds, provided such restriction is not inconsistent with TRP Advisory Services' stated investment strategy or philosophy, or is not fundamentally inconsistent with the nature or operation of the APP Program, in TRP Advisory Services' sole discretion. Investment restrictions should be requested by following instructions on the APP Program's website. If TRP Advisory Services accepts a client's requested restriction, it will continue to manage the Program Account, but will take no responsibility for any deviation in performance between the client's Program Account as restricted and a Program Account invested in the same model portfolio without the restriction. The performance of a Program Account with restrictions may differ from the performance of Program Accounts without restrictions, possibly producing lower overall results. Evaluation of the reasonableness of a restriction request may result in delays in the acceptance or management of a client's Program Account. TRP Advisory Services reserves the right to conclude that the requested restriction is unreasonable or cannot be accommodated within the APP Program. If a client's Program Account cannot be managed with the requested investment restriction(s), the client will be notified. TRP Advisory Services may reevaluate restrictions on an as-needed basis, including, but not limited to, as a result of changes in the underlying funds or models, which may result in the denial of a restriction that was previously accepted. Please note that changing a restriction may result in buy or sell activity in a client's Program Account.

TRP Advisory Services will invest a client's Program Account solely in Price Funds. T. Rowe Price will not consider any investments maintained in any other accounts a client may have at T. Rowe Price or elsewhere when providing discretionary advice for the Program Account. In addition, we will not offer any management or advisory services with respect to, or be responsible for, any client assets not being managed by us as part of the Program. TRP Advisory Services will not evaluate other asset classes or non-Price Funds for inclusion in the APP Program even if other non-Price Funds have characteristics similar or superior to the Price Funds. At its discretion, TRP Advisory Services may adjust the neutral allocations of model portfolios, remove or add Program Funds to model portfolios, or substitute any current fund in a model portfolio with another Program Fund.

T. Rowe Price Investment Allocation Tool

TRP Advisory Services does not provide discretionary advice as part of the IA Tool and does not manage any client assets.

Item 17 – Voting Client Securities

TRP Advisory Services does not acquire authority for or exercise proxy voting or other shareholder rights on behalf of any of its clients. Clients invested in the Price Funds receive proxy voting solicitations or other matters related to shareholder rights directly from Price Services or another third party. All client questions related to any Price Fund proxy solicitation or similar shareholder rights should be directed to Price Services using the contact information provided in the relevant materials.

Item 18 – Financial Information

TRP Advisory Services bills clients in accordance with its process described in *Item 5 – Fees and Compensation* above.

TRP Advisory Services is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients. A copy of the current annual consolidated audited financial statements of Price Group and its subsidiaries (including TRP Advisory Services) is available upon request.

TRP Advisory Services is registered as an investment adviser with the SEC. TRP Advisory Services is not registered with any state securities authorities.

**T. ROWE PRICE ADVISORY SERVICES, INC.
(TRP Advisory Services)**

**100 EAST PRATT STREET
BALTIMORE, MARYLAND 21202
troweprice.com**

**PART 2B OF FORM ADV: BROCHURE SUPPLEMENT
MARCH 31, 2017**

**ADVISORY PLANNING SERVICE
INVESTMENT ALLOCATION TOOL**

This Brochure Supplement provides information that is in addition to TRP Advisory Services' Part 2A of Form ADV: Firm Brochure. You should have received a copy of that Firm Brochure; however, please contact us at TRP_ADV_Inquiries@troweprice.com if you did not receive TRP Advisory Services' Firm Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about TRP Advisory Services is also available on the United States Securities and Exchange Commission (SEC)'s website at www.adviserinfo.sec.gov.

T. Rowe Price Advisory Planning Service
T. Rowe Price Investment Allocation Tool

Personnel and Related Parties

Biographical information on the directors of TRP Advisory Services and others who are responsible for the model portfolios or supervision of the Advisory Associates is provided on the following pages.

The professional investment staff of TRP Advisory Services is comprised of individuals who have attained a high degree of expertise in their fields. Generally, a bachelor's degree is required of all professional employees, and an M.B.A. or other advanced degree or certification in an appropriate field (e.g., economics, mathematics, financial planning) is preferred. The firm generally seeks graduates with prior business experience. All Advisory Associates are salaried employees and do not receive commissions or fees of any kind.

The Advisory Associates generally are required to have an undergraduate college education or equivalent experience, and certain Advisory Associates may have completed or may be pursuing a program of related graduate education or a professional designation, such as the CFP® certification. Registration as a general securities broker-dealer representative, a state securities broker-dealer representative, an investment adviser representative, or other appropriate licensing will be required of Advisory Associates where applicable.

T. Rowe Price Investment Services, Inc. ("**Investment Services**"), a Maryland corporation, is a wholly owned subsidiary of T. Rowe Price Associates, Inc. ("**Price Associates**"). It was organized for the purpose of acting as principal underwriter and distributor for the Price Funds for which Price Associates sponsors and serves as investment adviser. Investment Services also serves as distributor for certain Section 529 College Savings Plans. It does not charge commissions for the purchase, sale, or exchange of Price Fund shares.

Investment Services, which expanded its activities in 1984 to include a brokerage service, is registered as a broker-dealer under the Securities Exchange Act of 1934 and is a member of FINRA. Investment Services generally does not effect securities transactions for Advisory Planning Service or Investment Allocation Tool clients in connection with the services provided, except with respect to the purchase and sale and exchange of shares of the Price Funds. However, certain clients may elect to implement recommendations through self-directed IRAs or other brokerage accounts established with Investment Services for investment in the Price Funds pursuant to the Advisory Planning Service's or Investment Allocation Tool's asset allocation recommendations. Clients are under no obligation to use Investment Services for their securities transactions.

Clients electing to use Investment Services to invest directly in securities through a brokerage account will place orders for the execution of their portfolio transactions directly with the Brokerage division of Investment Services. All such transactions initiated through Investment Services are executed and cleared by Pershing, LLC, a subsidiary of the Bank of New York Mellon Corporation, member NYSE/FINRA/SIPC ("**Pershing**"). Investment Services and

T. Rowe Price Advisory Planning Service
T. Rowe Price Investment Allocation Tool

Pershing have entered into a clearing agreement, pursuant to which securities of all brokerage customers of Investment Services, including clients of TRP Advisory Services, are held by Pershing. Please note that TRP Advisory Services does not provide any advice or guidance regarding individual securities or brokerage accounts for Advisory Planning Service or Investment Allocation Tool clients.

All Advisory Planning Service and Investment Allocation Tool clients who open accounts with Investment Services are made aware of the relationship between TRP Advisory Services and Investment Services and of the fact that the brokerage commissions paid to the Brokerage division of Investment Services (not to TRP Advisory Services or its staff) in connection with the brokerage transactions are in addition to the fees paid to TRP Advisory Services and fees paid to Price Associates indirectly through investment in Price Funds for which Price Associates serves as investment adviser.

T. Rowe Price Advisory Services, Inc.

BOARD OF DIRECTORS

Edward C. Bernard, *Chairman of the Board, Vice President, and Director*

Vice Chairman of the Board, Vice President, and Director, T. Rowe Price Group, Inc.; *President, Chief Executive Officer, Chairman of the Board, and Director*, T. Rowe Price International Ltd and T. Rowe Price Trust Company; *Chairman of the Board, Vice President, and Director*, T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.; *Chairman of the Board and Director*, T. Rowe Price Funds and T. Rowe Price Retirement Plan Services, Inc.; ; *Vice President and Director*, T. Rowe Price Associates, Inc.; *Education*: B.A., Brown University; M.B.A. in finance, New York University; *Year of birth*: 1956.

Scott B. David, *President and Director*

Vice President, T. Rowe Price Group, Inc.; *President and Director*, T. Rowe Price Investment Services, Inc.; *Vice President and Director*, T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; *Vice President*, T. Rowe Price Associates, Inc.; *Joined T. Rowe Price*: 2011; *Education*: B.S. in business administration, Miami University; *Year of birth*: 1966.

Aimee R. DeCamillo, *Vice President and Director*

Vice President, T. Rowe Price Group, Inc.; *President and Director*, T. Rowe Price Retirement Plan Services, Inc.; *Joined T. Rowe Price*: 2014; *Education*: B.A. in international relations, Michigan State University; *Year of birth*: 1975.

David Oestreicher, *Director*

Vice President and Chief Legal Officer, T. Rowe Price Group, Inc.; *Vice President and Director*, T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Investment Services, Inc.,

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T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; **Director**, T. Rowe Price Advisory Services, Inc.; **Vice President**, T. Rowe Price Associates, Inc., T. Rowe Price Hong Kong Limited, T. Rowe Price International Ltd, and T. Rowe Price Singapore Private Ltd.; *Joined T. Rowe Price*: 1997; *Education*: B.S. in business administration, Bucknell University; J.D., Villanova University School of Law; *Year of birth*: 1967.

Wayne Park, *Vice President and Director*

Vice President, T. Rowe Price Group, Inc., T. Rowe Price Investment Services, Inc., and T. Rowe Price Retirement Plan Services, Inc.; **President and Director**, T. Rowe Price Services, Inc.; *Joined T. Rowe Price*: 2012; *Education*: B.A. in economics, State University of New York-Stony Brook; M.B.A., Pennsylvania State University; *Year of birth*: 1972.

PROFESSIONAL STAFF

Susan D'Angelo

Assistant Vice President, T. Rowe Price Advisory Services, Inc., and T. Rowe Price Investment Services, Inc.; *Joined T. Rowe Price*: 1999; *Education*: B.M.E. (summa cum laude) in education, Florida State University; *Certification*: CERTIFIED FINANCIAL PLANNER™ (CFP®);⁴ *Year of birth*: 1974.

Keith P. McGurrin

Assistant Vice President, T. Rowe Price Advisory Services, Inc., and T. Rowe Price Investment Services, Inc.; *Joined T. Rowe Price*: 2009; *Prior Experience*: Financial Planner, Ameriprise Financial (2004–2009); Financial Planner, Morgan Stanley (2002–2004); *Education*: B.S. in physics, University of Scranton; M.B.A., Loyola College in Maryland; *Certification*: CERTIFIED FINANCIAL PLANNER™ (CFP®);⁴ *Year of birth*: 1965.

Charles Shriver

Vice President, T. Rowe Price Group, Inc., T. Rowe Price Associates, Inc., and T. Rowe Price Trust Company; **President, Portfolio Manager, and Chairman of the Advisory Committee**, T. Rowe Price Balanced Fund, Inc., T. Rowe Price Personal Strategy Funds, Inc., T. Rowe Price Spectrum Funds, Inc., and T. Rowe Price Global Allocation Fund, Inc.; **Portfolio Manager and Chairman of the Advisory Committee**, T. Rowe Price Personal Strategy Balanced Fund, T. Rowe Price Personal Strategy Growth Fund, T. Rowe Price Personal Strategy Income Fund, T. Rowe Price Personal Strategy Balanced Portfolio, T. Rowe Price Spectrum Growth Fund, T. Rowe Price Spectrum Income Fund, and T. Rowe Price Spectrum International Fund; *Joined T. Rowe Price*: 1991; *Education*: B.A. in economics and rhetoric/ communications studies, University of Virginia; M.S.F. in finance, Loyola University Maryland; *Year of birth*: 1967.

Judith B. Ward

Vice President, T. Rowe Price Associates, Inc.; *Joined T. Rowe Price*: 1983; *Education*: B.A. in economics and a Certificate in finance, University of Maryland, Baltimore County; *Certification*: CERTIFIED FINANCIAL PLANNER™ (CFP®);⁴ *Year of birth*: 1962.

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ADDITIONAL EXECUTIVE OFFICERS

Timothy S. Dignan, *Treasurer*

Vice President, Controller, and Assistant Treasurer, T. Rowe Price Group, Inc.; ***Vice President, Controller, and Treasurer***, T. Rowe Price Associates, Inc., T. Rowe Price Advisory Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; ***Vice President and Treasurer***, T. Rowe Price International Ltd, T. Rowe Price Hong Kong Limited, T. Rowe Price Singapore Private Ltd., and T. Rowe Price Investment Services, Inc.; ***Treasurer***, T. Rowe Price (Canada), Inc., and T. Rowe Price Trust Company; *Joined T. Rowe Price*: 1991; *Education*: B.S. in information systems and Certificate in accounting, University of Maryland Baltimore County; M.B.A., Loyola College in Maryland; *Certification*: Certified Public Accountant; *Year of birth*: 1968.

David Oestreicher, *Secretary*

Corporate Secretary, T. Rowe Price Group, Inc., T. Rowe Price Associates, Inc., T. Rowe Price (Canada), Inc., T. Rowe Price Advisory Services, Inc., T. Rowe Price International Ltd, T. Rowe Price Investment Services, Inc., T. Rowe Price Trust Company, T. Rowe Price Services, Inc., and T. Rowe Price Retirement Plan Services, Inc.; *Joined T. Rowe Price*: 1997; *Education*: B.S. in business administration, Bucknell University; J.D., Villanova University School of Law; *Year of birth*: 1967.

**T. ROWE PRICE ADVISORY SERVICES, INC.
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**PART 2B OF FORM ADV: BROCHURE SUPPLEMENT
MARCH 31, 2017**

T. ROWE PRICE ACTIVEPLUS PORTFOLIOS PROGRAM

**ROBERT A. PANARIELLO
TOBY M. THOMPSON
GUIDO F. STUBENRAUCH**

This Brochure Supplement provides information that is in addition to TRP Advisory Services' Part 2A of Form ADV: Firm Brochure. You should have received a copy of that Firm Brochure; however, please contact us at TRP_ADV_Inquiries@troweprice.com if you did not receive TRP Advisory Services' Firm Brochure or if you have any questions about the contents of this Brochure Supplement.

Additional information about TRP Advisory Services is also available on the United States Securities and Exchange Commission (SEC)'s website at www.adviserinfo.sec.gov.

T. Rowe Price ActivePlus Portfolios Program

Educational Background and Business Experience

Robert A. Panariello

Robert Panariello, CFA, born in 1983, is a Portfolio Manager for T. Rowe Price's Managed Accounts. He is a quantitative analyst in the Asset Allocation Group. Mr. Panariello is a Vice President of T. Rowe Price Group, Inc., and T. Rowe Price Associates, Inc.

Mr. Panariello joined T. Rowe Price in 2005 as a quantitative analyst.

Mr. Panariello received a B.S. and an M.S.E. in applied mathematics and statistics and an M.S.E. in financial mathematics, all from Johns Hopkins University.

Toby M. Thompson

Toby Thompson, CFA¹, born in 1971, is Portfolio Manager for T. Rowe Price's² Asset Allocation Group. Mr. Thompson is a Vice President of T. Rowe Price Associates, Inc.

Mr. Thompson joined the firm in 2010 as a defined contribution investment specialist and was assigned portfolio management responsibilities for the firm's Asset Allocation group effective October 11, 2013. Prior to joining the firm, he served as director of investments of the I.A.M. National Pension Fund. Before joining the I.A.M. National Pension Fund in 2008, Mr. Thompson spent five years at Brown Investment Advisory, where he served as a principal and worked in fixed income research, served as director of open architecture and asset allocation, and was a member of the firm's Strategic Investment Committee.

Mr. Thompson earned a B.S. in business and economics from Towson University and an M.B.A. in finance from Loyola University Maryland.

Guido F. Stubenrauch

Guido Stubenrauch, CFA, born in 1970, is a Portfolio Manager for T. Rowe Price's Managed Accounts. He is a Vice President of the Balanced Fund, Personal Strategy Funds, and Retirement Funds. Mr. Stubenrauch is also a Vice President of T. Rowe Price Group, Inc., and T. Rowe Price Associates, Inc.

¹ Denotes earning the Chartered Financial Analyst® designation, or CFA charter. To earn the CFA charter an applicant must have four years of qualified investment work experience and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. CFA Program candidates report dedicating in excess of 300 hours to completing the CFA Program. Completing the entire CFA Program is a significant challenge that takes most candidates between two and five years. Source: "The CFA Program" [thecfainstitute.org](http://www.cfainstitute.org) 2011 April, 15, 2011 <http://www.cfainstitute.org/cfaprogram/Pages/index.aspx>

² T. Rowe Price is a global investment management firm founded in 1937 committed to meeting the needs of institutional and individual investors worldwide. All references to T. Rowe Price generally mean the T. Rowe Price group of companies, including T. Rowe Price Group, Inc., as the parent holding company.

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Mr. Stubenrauch joined T. Rowe Price in 1999 as a Supervisor in Fixed Income Trading & Operations. Prior to joining the firm, he worked in the Global Liquidity & Capital Raising division at J.P. Morgan.

Mr. Stubenrauch received a B.A. in business administration and economics from McDaniel College and an M.S. in finance from the Loyola University, Sellinger School of Business.

Disciplinary Information

The above referenced person(s) has not been involved in any legal or disciplinary events that would be material to a client's or prospective client's evaluation of a portfolio manager.

Other Business Activities

As an employee of T. Rowe Price, the above referenced person(s) is required to comply with the T. Rowe Price Code of Ethics and Conduct (Code) applicable to all T. Rowe Price affiliates. The Code outlines appropriate standards of conduct for employees and certain other individuals associated with T. Rowe Price. The Code prohibits outside business activities that place employees' interests in conflict with those of T. Rowe Price or its clients.

Additional Compensation

Compensation is viewed with a long-term time horizon; meaning the more consistent a manager's performance over time, the higher the compensation opportunity. The above referenced person(s) is compensated based on a base salary, a cash bonus, and an equity incentive that may be provided in the form of a stock option grant. Compensation is variable and is determined based on several factors, including investment performance (over 1, 3, 5 and 10 year periods) which is the most important factor.

All permanent employees of T. Rowe Price, including portfolio managers, are eligible to participate in a retirement plan sponsored by T. Rowe Price Group, Inc. (Price Group) that features a limited corporate matching contribution. In addition, all permanent employees are eligible to purchase Price Group common stock through an employee stock purchase plan that also features a limited corporate matching contribution. Eligibility for and participation in these plans is on the same basis as for all employees. Finally, vice presidents of Price Group, including all portfolio managers, generally receive supplemental medical/hospital reimbursement benefits and some may receive additional executive benefits.

This compensation structure is used for all portfolios managed by the portfolio manager.

T. Rowe Price ActivePlus Portfolios Program

Supervision

All personnel providing advisory services are appropriately skilled and qualified for the positions held at T. Rowe Price. The firm has multiple controls in place designed to prevent inappropriate risk-taking by portfolio managers, including a decentralized compliance structure (a significant part of which is an automated compliance system), oversight through various steering and risk monitoring committees, periodic internal and external audits, and a wide range of policies and procedures designed to assure that advice is consistent with our clients' agreed upon investment objectives and guidelines (Investment Guidelines) and the firm's fiduciary obligations.

Our Equity, International, and Fixed Income Steering Committees (the Steering Committees) oversee the investment professionals, client portfolio performance, style adherence and structure, risk controls, and all aspects of the investment process. The Steering Committees monitor risk exposure to assure consistency with firm-wide policies, and represent the investment divisions to the firm's Management Committee and the Board of Directors.

Our portfolio managers exercise discretion over their portfolios and have autonomy over stock selection, sector allocation, cash allocation, and trading, consistent with the client's Investment Guidelines. However, as described above, discretionary activities of our portfolio managers are subject to ongoing oversight. Additional information regarding specific areas of interest to our prospective or existing clients is available upon request.

The person ultimately responsible for supervising the advisory activities of the above referenced person(s) on behalf of the firm Eric L. Veiel, CFA¹, for equity investments and Edward (Ted) A. Wiese for fixed income investments.

Mr. Veiel is Vice President and Member of the Management Committee of T. Rowe Price Group, Inc. He is Vice President of T. Rowe Price Associates, Inc. and T. Rowe Price International Ltd. Mr. Veiel is the Head of the T. Rowe Price U.S. Equity Division and Chairman of the T. Rowe Price U.S. Equity Steering Committee.

Mr. Wiese is Vice President and Member of the Management Committee of T. Rowe Price Group, Inc. He is Head of Fixed Income, and Chairman of T. Rowe Price's Fixed Income Steering Committee. Mr. Wiese is President, Chairman of the Advisory Committee, and Portfolio Manager for the T. Rowe Price Short-Term Bond Fund. Mr. Wiese is a Vice President of T. Rowe Price International Ltd and T. Rowe Price Associates, Inc.

Mr. Veiel and Mr. Wiese can be reached at 410-345-2424.
