



## T. ROWE PRICE PLANNING SERVICE BROCHURE

T. ROWE PRICE ADVISORY SERVICES, INC.  
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### PART 2A OF FORM ADV: BROCHURE FEBRUARY 19, 2021

This brochure provides information about the qualifications and business practices of the T. Rowe Price Planning Service, an advisory service offered through T. Rowe Price Advisory Services, Inc. (**TRP Advisory Services**). If you have questions about the contents of this brochure, please contact us at [TRP\\_ADV\\_Inquiries@troweprice.com](mailto: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 available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov). (TRP Advisory Services is a registered investment adviser under the Investment Advisers Act of 1940, as amended (**Advisers Act**), and its associates are registered within a particular jurisdiction as required by applicable law; however, such registration does not imply a certain level of skill or training.)

## Item 2 – Summary of Material Changes

Since our last filing on October 30, 2020, this Brochure has been updated to reflect certain non-material changes.

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## Item 4 – Advisory Business

TRP Advisory Services is a Maryland corporation founded in 2000. It is an investment adviser registered under the Investment Advisers Act of 1940, as amended (**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**). As an SEC-registered adviser, TRP Advisory Services has a fiduciary duty to act in its clients' best interests and to abide by the duties of care and loyalty.

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**), T. Rowe Price Australia Limited (**Price Australia**), T. Rowe Price Japan, Inc. (**Price Japan**), and T. Rowe Price (Canada), Inc. (**Price Canada**), are collectively referred to herein as the **Price Advisers**. (Please refer to Part 2A of Form ADV for each Price Adviser for additional disclosure about the Price Adviser.) For purposes of this brochure, "we," "us," and "our" mean TRP Advisory Services and its officers, employees, agents, and representatives.

TRP Advisory Services provides investment advisory services for individual investors via several separate and distinct offerings. Please refer to the TRP Advisory Services Part 2A of Form ADV for information about other advisory services offered by TRP Advisory Services.

### T. Rowe Price Planning Service

#### A. Overview

T. Rowe Price Planning Service (**Planning Service** or the **Service**) is a non-discretionary investment advisory service that provides point-in-time financial planning and asset allocation advice and recommendations for specific T. Rowe Price Funds (**Financial Plan**).

The Planning Service is a point-in-time service: The Financial Plan and the Planning Service Client Agreement expire sixty (60) calendar days after the client enrolls in the Service. Therefore, the Financial Plan does not account for any subsequent changes to a client's financial planning or investment goals, risk tolerance, time horizon, or financial circumstances. The Service is a non-discretionary service and therefore clients are under no obligation to accept any of the financial planning or asset allocation advice or fund recommendations provided by TRP Advisory Services through the Service and T. Rowe Price is not authorized to implement these recommendations without client consent. A T. Rowe Price advisory associate will review the Financial Plan with and provide specific Planning Service Fund recommendations to the client and is available to assist with implementation.

#### B. Online Questionnaire

As part of the Service, clients complete an online questionnaire soliciting information about the client's investment, retirement and other goals, current financial situation and investment account balances, allocations, and contribution rate(s), as well as salary, goal time horizon(s), investment experience and risk tolerance (**Planning Service Questionnaire**). The Financial Plan is based on the information provided by the client in the Planning Service Questionnaire and certain other information that the client may provide to an advisory associate. The Financial Plan is intended to include assets or accounts that are owned and controlled by the client and/or co-client for their benefit or the benefit of members of their household and have corresponding goals in the Financial Plan. The Financial Plan is not intended to include assets held in estate and corporate accounts, Uniform Gifts to Minors Act and Uniform Transfers to Minors Act accounts, irrevocable trusts, or other assets or accounts that are not owned and controlled by the client and/or co-client for their benefit or the benefit of members of their household. It is a client's responsibility to determine which assets and accounts and their corresponding goals are appropriate to include in the client's Financial Plan and to remove or exclude any inappropriate assets and accounts from the Financial Plan. Any information provided by clients for purposes of obtaining a Financial Plan, or changes thereto, will not be considered for other accounts or services at T. Rowe Price; similarly, any information clients provide to TRP Advisory Services or an affiliate outside of the Service will not be considered when developing a Financial Plan for the client. For example, changing risk tolerance or time horizon information for other T. Rowe Price accounts will have no impact on the client's Financial Plan.

### C. Client/Co-Client

If a client provides information to TRP Advisory Services about assets held jointly with another person, we will consider these assets in developing the Financial Plan. If a client provides information to us about assets held solely by another person, this person will be treated as a co-client and no financial plan will be provided until the co-client accepts the terms and conditions set forth in the Planning Service Client Agreement. By entering into the Planning Service Client Agreement, clients represent that they are authorized to share information with TRP Advisory Services about jointly-held assets and assets held solely by another person.

### D. Financial Planning Output

The Financial Plan includes retirement savings or income projections and withdrawal strategies focused on helping clients better understand their projected income needs in retirement. The Financial Plan provides an assessment of the client's ability to achieve their retirement objective and any additional goals specified by the client. See the Planning Service Methodology document, which is available on the [troweprice.com](http://troweprice.com) website, for the assumptions and methodology underlying these projections as well as their limitations.

### E. Recommended Model Output

The Financial Plan also includes asset allocation and fund recommendations consisting of T. Rowe Price Funds (the **Recommended Model**) based on the client's responses to the risk tolerance and time horizon questions within the Planning Service Questionnaire. The Recommended Model may be adjusted based on additional information the client provides.

Fund recommendations consist solely of mutual funds advised by Price Associates or its affiliates (**Price Funds**) that have been selected for inclusion in the Planning Service (**Planning Service Funds**) based on their relationship to the asset categories of the Planning Service allocation models and each other. The Planning Service Funds are identified during the enrollment process and prospectuses for these funds are provided at that time. Not all such funds will be included in any specific Recommended Model for a given client. The Planning Service does not include recommendations to invest in individual securities, third-party mutual funds, or other non-Price securities. See the Planning Service Methodology document referenced above for more information about how the Recommended Models are developed.

The Recommended Model consists of the primary funds with their corresponding percentage weights. Clients may retain their existing holdings in certain Planning Service Funds when these funds are acceptable alternatives to the primary funds in the Recommended Model. In addition, clients who are in higher tax-brackets may choose to use the tax efficient funds in their taxable accounts.

We consider a client's existing holdings solely for the purpose of developing the client's Financial Plan and undertake no obligation to evaluate or make recommendations regarding the client's existing holdings, including Price Funds, or investment in non-Planning Service Funds, including non-Price Funds or other securities, even if they have characteristics or performance that is similar or superior to, or fees and expenses that are lower than, the Planning Service Funds. When recommending Planning Service Funds, TRP Advisory Services will alert the client to the existence of lower cost share classes of such funds for which they may be eligible. Clients with similar Planning Service Questionnaire inputs are generally provided with similar Recommended Models. There is no guarantee that the Recommended Model will meet the client's investment objectives or will result in positive returns. See Item 5, below, for a discussion of the impact of mutual fund selections on revenue received by TRP Advisory Services and affiliates.

During the sixty (60) day term of the Planning Service Client Agreement, TRP Advisory Services may determine to substitute Price Funds not previously included in the Service for funds that are included or add a new Price Fund not previously included into the Service. To the extent such activity occurs and impacts your Recommended Model, TRP Advisory Services will provide you with a copy of the prospectus for the new Planning Service Fund(s) and a new Recommended Model. Unless the management fee of the new or substituted funds exceeds the highest management fee of any fund already included in the Service within the same asset class (i.e., equity or fixed income), you will not be required to provide additional consent to such substitution or addition. See Item 8, below, for information about how Price Funds are selected for inclusion in the Service.

The Recommended Model is intended to be implemented through assets held in retail investor accounts at T. Rowe Price that are owned and controlled by the client and/or co-client for their benefit or the benefit of members of their household and have corresponding goals in the Financial Plan. The Recommended Model is not intended to be implemented through assets held in estate and corporate accounts, Uniform Gifts to Minors Act and Uniform Transfers to Minors Act accounts, irrevocable trusts, Section 529 College Savings Plans, workplace retirement plan accounts of clients who intend to leave those assets in place, or assets or accounts that are not owned by the client and/or co-client for their benefit or the benefit of members of their household.

The returns shown in the Financial Plan are hypothetical in nature and are based on the assumptions described in the Financial Plan. The returns in the Financial Plan do not reflect actual investment results or the deduction of taxes or investment fees and expenses and are not guarantees of future results. There is no guarantee that the Recommended Model or the client's composite portfolio will achieve the results illustrated.

#### F. Implementation Support

It is the client's sole responsibility and decision whether to implement a Financial Plan and the Recommended Model, and if so, to monitor their portfolio as needed. Clients are responsible for any decision to implement the Financial Plan, including, without limitation, any decision to fully or partially implement the Recommended Model or to implement part or All of the Recommended Model after the Financial Plan has expired. A partial implementation of the Recommended Model, or implementation of the Recommended Model after the expiration of the Financial Plan or a change in the client's financial situation or circumstances, is inconsistent with the Financial Plan and may result in a different risk profile than the Financial Plan considered. Clients must take action in order to implement the Financial Plan, including the Recommended Model. TRP Advisory Services and its affiliates have no discretion with respect to the implementation of any Financial Plan, including a particular savings or withdrawal strategy. We will not monitor or manage any investments made or accounts opened by the client, whether at T. Rowe Price or elsewhere, in order to implement the Recommended Model, nor will we make any trades in or adjustments to the client's account unless the client directs us to do so. Implementing a Recommended Model may result in selling some or all of a client's existing holdings. It is the client's decision to sell existing holdings; TRP Advisory Services and its affiliates will not advise clients on these transactions.

T. Rowe Price does not provide any tax advice. Although a client's actions to implement a Recommended Model may raise tax or other legal implications, clients acknowledge that TRP Advisory Services bears no responsibility for their decision-making. Clients are responsible for any tax implications and/or tax obligations arising as a result of the client's implementation of the Financial Plan provided or the client's use of the Service. Clients are strongly encouraged to seek the advice of their accountant or attorney for tax or legal questions related to their implementation of a Financial Plan or other use of this Service.

#### G. E-Delivery

As part of the Service, clients agree to use electronic signatures and accept electronic delivery (as available) of all documents and disclosures that are necessary to Planning Service enrollment (**Planning Service Documents**) in electronic form, including, but not limited to, the Planning Service Client Agreement, this Form ADV Part 2A Brochure and any Part 2B Brochures and Supplements, and the Form(s) CRS, including all applicable future updates of these Planning Service Documents. The Planning Service Documents are available in electronic, portable document format (PDF). Regular and dependable Internet access, which cost is the client's responsibility, is required to enroll in the Service and to access Planning Service Documents. Clients are required to maintain an accurate and up-to-date email address with T. Rowe Price 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 the Planning Service relationship for any reason, including but not limited to cases in which the client does not maintain an accurate and up-to-date email address with us.

Clients must accept the Planning Service Client Agreement by electronic means (such as clicks or other online means) and as such, the Planning Service 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 Planning Service 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 Planning Service Client Agreement entered into electronically by the client (or by anyone using client's authentication devices, such as a password or PIN).

Clients will receive an email notification from TRP Advisory Services with a link to the Planning Service Documents that clients can view, print, or download. In the event of an email notification failure, we will deliver paper versions of the Planning Service Documents (including all applicable future updates) to the client's address of record until they provide TRP Advisory Services with a valid email address. Notwithstanding the foregoing, in the event of an email notification failure, in lieu of delivery of a paper version of the client's Financial Plan, a TRP Advisory Services advisory associate will notify the client by telephone or in person that the client's Financial Plan is available for viewing, printing or downloading through the client's T. Rowe Price Internet portal. Clients may change their email address by logging into their account on the T. Rowe Price website. Clients have the right to request in writing, free of charge, a paper copy of any of the Planning Service Documents and such requests do not waive or invalidate a client's consent to electronic distribution.

**NOTE:** The Service is conditioned on enrollment in electronic delivery. Withdrawal of consent will result in the termination of the Planning Service relationship. Clients may terminate the Planning Service relationship at any time for any reason and without penalty by contacting us at 1-877-455-2225. TRP Advisory Services may terminate the Planning Service relationship for any client for any reason upon written (which may include electronic) notice to the client.

### **Assets Under Management**

As of December 31, 2019, TRP Advisory Services managed approximately \$533 Million on a discretionary basis for its 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**

TRP Advisory Services does not charge a separate advisory fee for the non-discretionary advice services provided in the Service, which includes the delivery of the Financial Plan and assistance with implementation of the Recommended Model.

It is not necessary for an investor to receive a Financial Plan to invest directly in Price Funds and redeem or exchange shares. All investors in Price Funds indirectly pay investment management fees and other administrative and servicing fees to certain T. Rowe Price affiliates, 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.

TRP Advisory Services has an incentive to structure portfolios in such a way that results in the maximum fee/benefit to TRP affiliates but conducts prudent portfolio construction processes and ongoing oversight of these portfolios to mitigate this potential conflict of interest. TRP Advisory Services' affiliates will not receive more in investment management fees as part of a Recommended Model than is disclosed in the funds' prospectuses.

When recommending Price Funds, TRP Advisory Services will alert the client to the existence of lower cost share classes for which they are eligible. If the client chooses to implement the Recommended Model using Price Funds, Price Associates or its affiliates will be compensated through the management fees or other fees earned in connection with the underlying Price Funds held by the client. If the client implements the recommendation, the client will pay the expenses of the Planning Service Funds as disclosed in each fund's prospectus provided to the client during the enrollment process. (If clients remain invested in the Price Funds, they will be notified of any fee changes in the same manner as all other fund 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 its offerings, including the Planning Service. Price Associates and some of its affiliates receive investment management and other administrative and servicing fees 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 any other shareholders who invest in the Price Funds. The expenses of a fund are generally comprised of a) investment management fees paid to Price Associates based on the assets under management of the fund; and b) servicing fees (for transfer agent, accounting, and custodial services, etc.) paid to T. Rowe Price affiliates and others. Details of mutual fund expenses, including the applicable investment management fee rate, 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 prospectuses and shareholder reports. TRP Advisory Services has no authority to make investment decisions for the Price Funds and its revenue is not based upon assets under management or market performance but receives a servicing fee from Price Associates for attracting and retaining assets in the Price Funds.

The affiliation between TRP Advisory Services and Price Associates and its affiliates creates the potential for a conflict between the interests of clients and the interests of TRP Advisory Services and its affiliates. TRP Advisory Services addresses this conflict through disclosure in this brochure and by adopting internal policies and procedures that require TRP Advisory Services and its associates to provide investment advice that is appropriate for advisory clients based upon the information provided by such clients and the characteristics of the advisory service in which the client has enrolled.

Currently, TRP Advisory Services only selects and recommends Price Funds in the Planning Service. Certain strategies of the Price Funds are also offered by Price Associates in comparable strategies of actively managed exchange-traded funds ("Price ETFs"). Price ETFs are not currently available through the advisory programs and services offered by TRP Advisory Services. We have an incentive to select and recommend Price Funds over Price ETFs because our affiliates receive administrative and/or servicing fees related to investments in the Price Funds. However, our determination to recommend only mutual funds is based on an evaluation of a range of factors when selecting investment products to include in our advisory programs and services, including but not limited to: the overall structure and objectives of the advisory program or service; operational and technological considerations; operating and performance history; pricing, trading costs and transparency; fees and expenses; investment restrictions; and tax efficiencies. We periodically monitor the investment products included in our advisory programs and services and may make changes to the types of investment products over time.

For strategies of the Price Funds that are also offered as comparable Price ETFs, clients can invest in the comparable strategy through a Price ETF, rather than through a Price Fund, outside of our advisory programs and services. Generally, there are a number of differences between mutual funds and ETFs, one of which is that the total expense ratios for ETFs are typically lower than those for some share classes of comparable mutual funds. Investors should consider a range of factors, including total cost of ownership and transaction fees, for ETFs. Investors can find additional information about Price Fund and Price ETF characteristics and expenses in the prospectus for each product or on the T. Rowe Price website.

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*.

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

**Performance-Based Fees.** TRP Advisory Services does not currently offer or accept performance-based fee arrangements and does not engage in side-by-side management.

**Side-by-Side Management.** The Price Advisers, other than TRP Advisory Services, manage multiple strategies involving most asset classes and types of securities; therefore, this section applies to the Price Advisers other than TRP Advisory Services. Accordingly, the Price Advisers may make investment decisions across strategies and individual accounts that may vary based on specific strategy or client characteristics. The Price Advisers may take different actions 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. When the Price Advisers implement for one client a portfolio decision or strategy ahead of, or contemporaneously with, similar portfolio decisions or strategies of another client, market impact, liquidity constraints or other factors could result in one or more clients receiving less favorable trading results, the costs of implementing such portfolio decisions or strategies could be increased or such clients could otherwise be disadvantaged. These positions and actions may adversely impact, or in some instances may benefit, one or more affected advisory client. For example, the Price Advisers may buy a security for one client



while establishing a short position in that same security for another client. The subsequent short sale may result in a decrease in the price of the security that the other client holds. On the other hand, potential conflicts may also arise because portfolio decisions regarding a client may benefit other clients. The Price Advisers may have a legitimate reason for engaging in such differing transactions. For example, the investment objectives for each new client may differ. Nonetheless, the Price Advisers' actions could be viewed as a benefit to the performance of the client with the short position and to the detriment of the client with the long position if the short sale causes the market value of the security to decrease. To mitigate such conflicts of interest, portfolio managers are generally prohibited from managing multiple strategies where they hold the same security long in one strategy and short in another. However, in certain circumstances, a portfolio manager may be able to hold the same security long and short where an investment oversight committee has specifically reviewed and approved the holdings or strategy. Under certain circumstances, a client may invest in a transaction in which one or more other clients are expected to participate, or already have made or will seek to make, an investment. Such clients may have conflicting interests and objectives in connection with such investments, including with respect to views on the operations or activities of the issuer involved, the targeted returns from the investment and the timeframe for, and method of, exiting the investment. When making such investments, the Price Advisers may do so in a way that favors one client over another client, even if both clients are investing in the same security at the same time. In addition, other clients may expect to invest in many of the same types of investments as another client. However, there may be investments in which one or more of such clients do not invest (or invest on different terms or on a non-pro rata basis) due to factors such as legal, tax, regulatory, business, contractual or other similar considerations or due to the provisions of a client's governing documents. Decisions as to the allocation of investment opportunities among such clients presents numerous conflicts of interest, which may not be resolved in a manner that is favorable to a client's interests. To the extent an investment is not allocated pro rata among such entities, a client could incur a disproportionate amount of income or loss related to such investment relative to such other client. The Price Advisers have adopted policies and procedures to address such conflicts of interest.

Additional potential conflicts may be inherent in the Price Advisers' use of multiple strategies. For example, conflicts will arise in cases where different clients invest in different parts of an issuer's capital structure, including circumstances in which one or more clients may own private securities or obligations of an issuer and other clients may own or seek to acquire securities of the same issuer. For example, a client may acquire a loan, loan participation or a loan assignment of a particular borrower in which one or more other clients have an equity investment or may invest in senior debt obligations of an issuer for one client and junior debt obligations or equity of the same issuer for another client. 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. To mitigate potential conflicts of interest, the Price Advisers have implemented policies and procedures that are reasonably designed to provide fair and equitable allocation of trades and to minimize the impact of such trading activity across client accounts.

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.

## Item 7 – Types of Clients

TRP Advisory Services provides the Service to individual investors and households with a retirement goal and generally requires a minimum of \$250,000 in aggregate investable assets at or under consideration to move to T. Rowe Price.



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

**Model Portfolio.** As part of the Financial Plan, the client will receive a Recommended Model consisting of a recommended asset allocation and Planning Service Funds based on the client's responses to the risk tolerance and time horizon questions within the Planning Service Questionnaire. The Recommended Model may be adjusted based on additional information the client provides. The Recommended Model includes target allocations to various asset classes. The fund recommendations correspond to the target allocations and will consist of a portfolio of Price Funds. The Service offers multiple model portfolios that seek to satisfy a wide variety of client needs, ranging from the most aggressive portfolios (e.g., portfolios that include 100% in equity exposure) to more conservative portfolios (e.g., portfolios that include limited equity exposure) and addressing varying time horizons for clients' financial goals.

Model portfolios are constructed from Planning Service 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.

At its discretion, TRP Advisory Services may adjust the allocations of model portfolios, remove or add Planning Service Funds to model portfolios, or substitute any current fund in a model portfolio with another Planning Service Fund. Key considerations when developing each model include but are not limited to: investment style and process, returns-based style consistency, diversification, benchmark, investment universe, correlations, and risk-adjusted returns. 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. These portfolios are reviewed on an ongoing basis and updated based upon various factors including economic, market, and political conditions and trends.

The Financial Plan contains forward-looking projections that are based upon certain assumptions about future events. Some of these assumptions include, without limitation, assumptions about future rates of inflation, interest rates, rates of return, levels of asset appreciation, dividend rates, growth rates, your income and expenditure amounts, taxes, tax rates, and tax filing status, as applicable. Forward-looking projections are based on a limited set of assumptions and actual future outcomes may differ significantly from the projections. Therefore, forward-looking projections should be used only as an aid for planning and decision making. As investment returns, inflation, taxes, and other economic conditions vary from these assumptions, a client's actual results will vary (perhaps significantly) from those presented in the Financial Plan, therefore clients should not interpret forward-looking projections as an indication or guarantee of what will happen in the future.

The returns shown in the Financial Plan are hypothetical in nature and are based on the assumptions described in the Financial Plan. The returns in the Financial Plan do not reflect actual investment results or the deduction of taxes or investment fees and expenses, and are not guarantees of future results. There is no guarantee that the Recommended Model or the client's composite portfolio will achieve the results illustrated.

**Risk of Loss.** TRP Advisory Services does not guarantee positive investment results, or that the objectives of the underlying Price Funds, Financial Plan or Recommended Model will be met. 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. Below is a summary of the primary risks related to the significant investment strategies and methods of analysis used by TRP Advisory Services. The Planning Service uses Price Funds for its investment strategy and these funds 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, without limitation, commodities, derivatives, investment contracts, and bank loans) involves risk of loss of the principal of such investments; however, clients should be aware that not all of the risks listed below will apply to every investment strategy as certain risks may only apply to certain investment strategies or investments in different types of securities. Multiple factors contribute to investment risk for all Price Fund strategies and additional factors contribute to investment risk for specific Price Fund strategies. Furthermore, the risks listed below are not intended to be a complete description or enumeration of the

risks associated with the methods of analysis and investment strategies used by TRP Advisory Services. 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 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. 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.

**Active management risk.** Actively managed funds are subject to the risk that the portfolio manager's judgments about the attractiveness, value, or potential appreciation of the fund's investments may prove to be incorrect. If the selection of securities or strategies fails to produce the intended results, these funds could underperform other funds with similar benchmarks, objectives and investment strategies.

**Risks associated with the use of algorithms.** Algorithms are used in connection with the Service and contribute to operational risks. For example, algorithms are used as part of the process whereby TRP Advisory Services recommends an appropriate asset allocation model that corresponds to a level of risk consistent with your Planning Service Questionnaire. In providing the Service to clients, algorithms are also used in analyzing the client's financial planning situation and to create and present the illustrations in the Financial Plan. There is a risk that the algorithms and data input into the algorithms could have errors, omissions, imperfections and malfunctions. While we and, to our knowledge, our third-party vendor have standards governing the development, testing and monitoring of algorithms, there is a risk that the algorithms and associated software may not perform as intended for various reasons, including unintended consequences due to modifying the algorithms or underlying software code. Any decisions made in reliance upon incorrect data expose clients to potential risks. Issues in the algorithm are often extremely difficult to detect and may go undetected for long periods of time; some may never be detected. These risks are mitigated by testing and human oversight of the algorithms and their output. We believe that the oversight and testing performed on the algorithms used in the Service and their output will enable us (or, in the case of our third-party vendor software, our third-party vendor) to identify and address issues that a prudent person managing a similar service would identify and address. However, there is no assurance that the algorithms will always work as intended. The SEC has provided further information for investors to consider when engaging digital advice services. The guidance can be found at [investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-robo-advisers](https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-robo-advisers).

**Asset allocation risk.** A portfolio's risks directly correspond to the risks of the asset classes in which it invests. Investing in multiple asset classes (either directly or indirectly, such as through pooled investment vehicles) can facilitate diversification, but also create exposure to the risks of many different areas of the market. The direct or indirect allocation of a portfolio's assets among various asset classes and market sectors could cause the portfolio to underperform other portfolios with a similar investment objective.

**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.

Certain Price Funds invest in bonds that are rated below investment grade, commonly referred to as junk bonds, exposing the fund to greater volatility and credit risk than investments in bonds that are rated investment-grade. Issuers of junk bonds are usually not as strong financially and are more likely to suffer an adverse change in financial condition that would result in the inability to meet a financial obligation. As a result, bonds rated below investment grade carry a higher risk of default and erratic price swings due to real or perceived changes in the credit quality of the issuer.

**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 payment default (failure to make scheduled interest or principal payments) by an issuer or counterparty, or inability to meet a financial obligation, 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.

**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. Nonstandardized 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. Changes in regulations could significantly impact a fund's ability to invest in specific types of derivatives, which could limit the fund's ability to employ certain strategies that use derivatives.

**Emerging markets risk.** The risks of foreign investing are heightened for securities of companies in emerging market countries. The economic and political structures of emerging market countries, in most cases, do not compare favorably with the U.S. or other developed countries in terms of wealth and stability, diversity and maturity, and their financial markets often lack liquidity. In addition to all of the risks of investing in foreign developed markets, emerging market securities are susceptible to governmental interference, political and economic uncertainty, local taxes on investments, restrictions on gaining access to sales proceeds and less efficient trading markets with lower overall liquidity, and more volatile currency exchange rates.

**Foreign investing risk.** Investing in the securities of non-U.S. issuers involves special risks not typically associated with investing in U.S. issuers. Foreign securities may be more volatile and less liquid than investments in the U.S. and may lose value because of adverse local, political, social, or economic developments overseas, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar. In addition, foreign investments may be subject to uncertain tax laws, regulatory standards for accounting, reporting, trading, and settlement that differ from those of the U.S. Some jurisdictions may impose unique obligations on clients as a result of their investment in non-U.S. issuers. Enforcing legal rights can be difficult, costly, and slow in certain foreign countries, and can be particularly difficult against foreign governments. Further, in certain foreign countries, investments are only permitted indirectly through participatory notes which have certain restrictions on

transferability and may be more illiquid than direct investments.

**Interest rate risk.** Interest rate risk is the risk that fixed income securities will decline in value because of changes in interest rates. Bond prices and interest rates usually move in opposite directions. Prices fall because the bonds and notes in the account's portfolio become less attractive to other investors when securities with higher yields become available. Interest rate changes can be sudden and unpredictable. Fixed income securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Generally, the longer the maturity of a security, the greater its interest rate risk. In addition, short-term and long-term interest rates and interest rates in different countries do not necessarily move in the same direction or by the same amount.

**Investment style risk.** Different investment styles tend to shift in and out of favor, depending on market conditions and investor opinion. For example, a stock with growth characteristics can decline sharply due to decreases in current or expected earnings and may lack dividends to help cushion its share price.

**Market capitalization risk.** Investing primarily in issuers within the same market capitalization category carries the risk that the category may be out of favor due to current market conditions or investor opinion. For example, securities issued by large-cap companies tend to be less volatile than securities issued by smaller companies. However, larger companies may not be able to attain the high growth rates of successful smaller companies, especially during strong economic periods. Also, these larger companies may be unable to respond as quickly to industry changes and competitive challenges and may suffer sharper price declines as a result of earnings disappointments.

#### Money Market Funds:

**Retail Funds:** Clients could lose money by investing in the Fund. Although the Fund seeks to preserve the value of a client's investment at \$1.00 per share, it cannot guarantee it will do so. The Fund may impose a fee upon the sale of a client's shares or may temporarily suspend a client's ability to sell shares if the Fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The 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.

**Government Funds:** Clients could lose money by investing in the Fund. Although the Fund seeks to preserve the value of a client's investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The 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.

**Municipal securities risk.** Municipal securities are issued by or on behalf of states, territories, possessions and local governments and their agencies and other instrumentalities. Municipal securities can be significantly impacted by unfavorable legislative or political developments and adverse changes in the financial conditions of municipal securities issuers. Municipal securities backed by current or anticipated revenues from a specific project or specific assets can be negatively affected by the inability to collect revenues for the project or from the assets. Income from municipal securities could be declared taxable because of changes in tax laws or interpretations by taxing authorities, or non-compliant conduct of a municipal security issuer. Tax reform, including a lowering of individual or corporate tax rates, could reduce the attractiveness and overall demand for municipal bonds. The secondary market for certain municipal securities tends to be less developed, transparent, and liquid than many other securities markets.

**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.

**Unforeseen market events.** Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which the Price Funds invest. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks.

These types of events may also cause widespread fear and uncertainty, and result in, among other things: quarantines and travel restrictions, including border closings; disruptions to business operations and supply chains; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. The Price Funds could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of the Price Funds, the Price Advisers, and the funds' service providers may be significantly impacted, or even temporarily halted, as a result of extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies. Recently, a novel strain of coronavirus (COVID-19) has resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets.

**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 Price Group 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 the T. Rowe Price Advisory Services, Inc. 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 management persons of the Price Advisers are registered, or have an application pending to register, as registered representatives of T. Rowe Price Investment Services, Inc. (**Investment Services**).

**Registration as Commodity Pool Operator.** TRP Advisory Services is registered with the Commodity Futures Trading Commission (**CFTC**) as a commodity pool operator (**CPO**). TRP Advisory Services is exempt from the obligations of a registered CPO with respect to certain funds.

**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 and serves as the investment adviser to the Price Funds and Price ETFs. Price Associates also may delegate investment management to one or more of its affiliated advisers when appropriate: Price International Ltd, Price Hong Kong, Price Singapore, Price Japan, or Price Australia. 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 and Price ETF based upon the value of the assets in a particular Price Fund or Price ETF.

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**) and various European Union financial services regulators. 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 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 to institutional investors and commingled products and may delegate investment management to one of its affiliated investment advisers when appropriate.

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 to institutional investors and commingled products and may delegate investment management to one of its affiliated investment advisers when appropriate.



Price Japan is an investment adviser registered under the Advisers Act and a wholly owned subsidiary of Price International Ltd. Price Japan is a Japan private company authorized by the Japan Financial Services Authority (**FSA**). Price Japan provides investment management services to institutional investors and commingled products; it also sponsors and manages Japanese investment trust funds. Price Japan may delegate investment management to one of its affiliated investment advisers when appropriate.

Price Australia is an investment adviser registered under the Advisers Act and a wholly owned subsidiary of Price International Ltd. Price Australia is an Australian public company limited by shares and holds an Australian Financial Services License issued by the Australian Securities & Investments Commission (**ASIC**). Price Australia provides investment management services to institutional investors and commingled products and may delegate investment management to one of its affiliated investment advisers when appropriate.

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 to one of its affiliated investment advisers when appropriate.

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. 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. All transactions initiated through Investment Services are executed and cleared by Pershing. Investment Services and Pershing have entered into a clearing agreement, pursuant to which securities of all brokerage customers of Investment Services, including a number of advisory clients of TRP Advisory Services, are held by Pershing.

**Trust Company.** 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. The Trust Company sponsors common trust funds (also known as collective investment funds) for investment in securities of global issuers.

**Affiliates.** Because the Price Advisers' clients and personnel are located around the world, the Price Advisers conduct business through a number of affiliated entities licensed to offer services in various jurisdictions and to perform particular business functions. Though legally distinct, TRP Advisory Services and affiliates function as a unified, global business.

**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.

## 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, participation in the APP Program by employees, and initial and continuous reporting of reportable securities holdings by investment personnel and other access persons. Price Group has adopted procedures designed to prevent its investment personnel and other access persons from violating the Code.

**Gifts 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 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.** 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 or through the T. Rowe Price Retirement Plan, which offers the Price Funds among its investment options. 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. Most of these portfolios are 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 Price Group. 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 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.

From time to time, T. Rowe Price and/or its personnel may hold an interest in unaffiliated funds or limited partnerships that is a selling stockholder in a public offering of securities which may be purchased by the Price Advisers for their clients. Any purchases by the Price Advisers in such public offering are permitted subject to policies and procedures in place to ensure that all clients are treated fairly.

The Price Advisers generally do not actively trade or manage assets on its own behalf. However, the Price Advisers manage corporate assets of their affiliate, Price Group. This relationship may give rise to a potential conflict of interest in the allocation of investment opportunities as between the Price Advisers' affiliate and their discretionary clients. The Price Advisers have adopted trade allocation policies and procedures that seek to ensure that all clients are treated fairly and equitably over time.

**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 the Price Advisers 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. The Price Advisers 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 invest 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. The Price Advisers 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.

Purchase and sale transactions may be effected directly among and between non-ERISA client accounts which permit crossing (including the Price Funds) consistent with the requirements of Rule 17a-7 of the Investment Company Act of 1940 (**Rule 17a-7**). Rule 17a-7 provides that no commission is paid to any broker-dealer, the security traded has readily available market quotations, and the transaction is effected at the independent current market price and may also require that Price Associates disclose a client's identity to the party on the other side of the trade. In certain markets, as required by applicable law, a cross trade may be routed through a broker-dealer to facilitate processing and a customary transfer fee may be incurred. These transactions are reviewed by the appropriate Legal and Compliance personnel and the GTC, which is responsible for the oversight of the Price Advisers' trading policies and procedures. Certain accounts in which T. Rowe Price has an ownership interest are restricted from engaging in cross trades in order to address considerations under Rule 17a-7 and Section 206(3) of the Advisers Act.

## **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. 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, the Price Funds' transfer agent and/or other service providers, and the client's external broker (if any).

Any client account 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.

**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.

## **Item 13 – Review of Accounts**

The Planning Service is a point-in-time service and therefore TRP Advisory Services does not provide ongoing monitoring or reviews of accounts through the Service. If the client chooses to implement the Recommended Model, it is the client's responsibility to monitor the investment to determine if it continues to be appropriate for them. TRP Advisory Services bears no responsibility to monitor the investment or provide other advisory services.

TRP Advisory Services provides certain client information to unaffiliated third parties where such information is requested by a regulatory authority or is otherwise required by law. TRP Advisory Services in certain instances provides trade data and/or other client information to third party service providers in order to facilitate compliance with such regulatory requirements. In accordance with its vendor management policies, standards and processes, TRP Advisory Services performs initial and ongoing due diligence of all third-party service providers.

## 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 enter into written referral agreements that involve the payment of a fee for introductions to 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 under certain circumstances. 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 TRP Advisory Services 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

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

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.

Clients are responsible for the management of their tax affairs, including, without limitation, the payment of all taxes due and the making of all claims in relation thereto. Clients are encouraged to consult their own financial, tax and legal advisors regarding any investment decision regarding our advisory services.

## 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 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. Clients invested in the Price Funds receive proxy voting solicitations or other matters related to shareholder rights directly from T. Rowe Price Services, Inc. (**Price Services**), transfer agent for the Price Funds, 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 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.