

A portion of the 2014 dividends paid by the Price funds will be reclassified for 1099 purposes. A reclassification means that the tax character of the dividend on the shareholder's 1099 mailed in January is different than the character shown on the statement which reported the dividend when it was paid. Tax character means whether the dividend is from taxable or tax-exempt income, short-term or long-term gain, or return of capital.

2014 Reclassifications					
T. Rowe Price Fund	DST#	2014 Payment Date	Per Share Amount to Reclassify	<u>Tax Character</u>	
				Before Reclassification	After Reclassification
Emerging Markets Local Currency Bond	192	01/31/2014	\$0.016030958	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	02/28/2014	\$0.014476365	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	03/31/2014	\$0.014884341	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	04/30/2014	\$0.015253085	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	05/30/2014	\$0.016664697	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	06/30/2014	\$0.015289886	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	07/31/2014	\$0.016055698	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	08/29/2014	\$0.016570754	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	09/30/2014	\$0.013916575	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	10/31/2014	\$0.014732724	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	11/28/2014	\$0.012203798	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	01/31/2014	\$0.032154201	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	02/28/2014	\$0.028186771	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	03/31/2014	\$0.029741271	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	04/30/2014	\$0.030469371	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	05/30/2014	\$0.033405515	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	06/30/2014	\$0.030709650	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	07/31/2014	\$0.032596847	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	08/29/2014	\$0.033854741	Income Dividend	Return of Capital

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				Before Reclassification	After Reclassification
Emerging Markets Local Multi-Sector Account Portfolio	324	09/30/2014	\$0.029810853	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	10/31/2014	\$0.033067405	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	11/28/2014	\$0.026138267	Income Dividend	Return of Capital
Global Real Estate	173	03/28/2014	\$0.023257710	Income Dividend	Return of Capital
Global Real Estate	173	06/27/2014	\$0.043931230	Income Dividend	Return of Capital
Global Real Estate	173	09/29/2014	\$0.015505140	Income Dividend	Return of Capital
Global Real Estate	173	12/17/2014	\$0.023257710	Income Dividend	Return of Capital
Institutional International Bond	167	01/31/2014	\$0.017374245	Income Dividend	Return of Capital
Institutional International Bond	167	02/28/2014	\$0.016731752	Income Dividend	Return of Capital
Institutional International Bond	167	03/31/2014	\$0.017989944	Income Dividend	Return of Capital
Institutional International Bond	167	04/30/2014	\$0.018092978	Income Dividend	Return of Capital
Institutional International Bond	167	05/30/2014	\$0.016664949	Income Dividend	Return of Capital
Institutional International Bond	167	06/30/2014	\$0.018434271	Income Dividend	Return of Capital
Institutional International Bond	167	07/31/2014	\$0.018321877	Income Dividend	Return of Capital
Institutional International Bond	167	08/29/2014	\$0.016591045	Income Dividend	Return of Capital
Institutional International Bond	167	09/30/2014	\$0.014375600	Income Dividend	Return of Capital
Institutional International Bond	167	10/31/2014	\$0.015859961	Income Dividend	Return of Capital
Institutional International Bond	167	11/28/2014	\$0.012753425	Income Dividend	Return of Capital
Institutional International Bond	167	12/31/2014	\$0.017064053	Income Dividend	Long-Term Capital Gain
International Bond	76	01/31/2014	\$0.018652724	Income Dividend	Return of Capital
International Bond	76	02/28/2014	\$0.017975941	Income Dividend	Return of Capital
International Bond	76	03/31/2014	\$0.019024802	Income Dividend	Return of Capital
International Bond	76	04/30/2014	\$0.019149228	Income Dividend	Return of Capital
International Bond	76	05/30/2014	\$0.018006910	Income Dividend	Return of Capital
International Bond	76	06/30/2014	\$0.018184638	Income Dividend	Return of Capital
International Bond	76	06/30/2014	\$0.002622045	Income Dividend	Long-Term Capital Gain
International Bond	76	07/31/2014	\$0.001405937	Income Dividend	Return of Capital
International Bond	76	07/31/2014	\$0.018829234	Income Dividend	Long-Term Capital Gain
International Bond	76	08/29/2014	\$0.002210125	Income Dividend	Return of Capital
International Bond	76	08/29/2014	\$0.015640384	Income Dividend	Long-Term Capital Gain
International Bond	76	09/30/2014	\$0.001698361	Income Dividend	Return of Capital
International Bond	76	09/30/2014	\$0.013771222	Income Dividend	Long-Term Capital Gain
International Bond	76	10/31/2014	\$0.001971442	Income Dividend	Return of Capital

2014 Reclassifications					
T. Rowe Price Fund	DST#	2014 Payment Date	Per Share Amount to Reclassify	<u>Tax Character</u>	
				Before Reclassification	After Reclassification
International Bond	76	10/31/2014	\$0.015303694	Income Dividend	Long-Term Capital Gain
International Bond	76	11/28/2014	\$0.001761096	Income Dividend	Return of Capital
International Bond	76	11/28/2014	\$0.012041253	Income Dividend	Long-Term Capital Gain
International Bond	76	12/31/2014	\$0.002282945	Income Dividend	Return of Capital
International Bond	76	12/31/2014	\$0.013749692	Income Dividend	Long-Term Capital Gain
Spectrum Income	88	11/28/2014	\$0.016857488	Income Dividend	Long-Term Capital Gain
Summit GNMA	94	01/31/2014	\$0.009498663	Income Dividend	Return of Capital
Summit GNMA	94	02/28/2014	\$0.009108081	Income Dividend	Return of Capital
Summit GNMA	94	03/31/2014	\$0.008554314	Income Dividend	Return of Capital
Summit GNMA	94	04/30/2014	\$0.008798098	Income Dividend	Return of Capital
Summit GNMA	94	05/19/2014	\$0.004987402	Income Dividend	Return of Capital
Advisor Class					
Emerging Markets Local Currency Bond - Advisor Shares	292	01/31/2014	\$0.015721127	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	02/28/2014	\$0.014259942	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	03/31/2014	\$0.014605990	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	04/30/2014	\$0.014984972	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	05/30/2014	\$0.016384746	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	06/30/2014	\$0.014989600	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	07/31/2014	\$0.015809575	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	08/29/2014	\$0.016288429	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	09/30/2014	\$0.013662473	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond - Advisor Shares	292	10/31/2014	\$0.014452162	Income Dividend	Return of Capital

2014 Reclassifications					
T. Rowe Price Fund	DST#	2014 Payment Date	Per Share Amount to Reclassify	<u>Tax Character</u>	
				Before Reclassification	After Reclassification
Emerging Markets Local Currency Bond - Advisor Shares	292	11/28/2014	\$0.011961230	Income Dividend	Return of Capital
Global Real Estate - Advisor Shares	273	03/28/2014	\$0.023257710	Income Dividend	Return of Capital
Global Real Estate - Advisor Shares	273	06/27/2014	\$0.041347040	Income Dividend	Return of Capital
Global Real Estate - Advisor Shares	273	09/29/2014	\$0.015505140	Income Dividend	Return of Capital
Global Real Estate - Advisor Shares	273	12/17/2014	\$0.023257710	Income Dividend	Return of Capital
International Bond - Advisor Shares	276	01/31/2014	\$0.016104352	Income Dividend	Return of Capital
International Bond - Advisor Shares	276	02/28/2014	\$0.016141581	Income Dividend	Return of Capital
International Bond - Advisor Shares	276	03/31/2014	\$0.017204969	Income Dividend	Return of Capital
International Bond - Advisor Shares	276	04/30/2014	\$0.017331237	Income Dividend	Return of Capital
International Bond - Advisor Shares	276	05/30/2014	\$0.016551848	Income Dividend	Return of Capital
International Bond - Advisor Shares	276	06/30/2014	\$0.016983245	Income Dividend	Return of Capital
International Bond - Advisor Shares	276	06/30/2014	\$0.002622045	Income Dividend	Long-Term Capital Gain
International Bond - Advisor Shares	276	07/31/2014	\$0.018829234	Income Dividend	Long-Term Capital Gain
International Bond - Advisor Shares	276	08/29/2014	\$0.015640384	Income Dividend	Long-Term Capital Gain
International Bond - Advisor Shares	276	09/30/2014	\$0.013771222	Income Dividend	Long-Term Capital Gain
International Bond - Advisor Shares	276	10/31/2014	\$0.015303694	Income Dividend	Long-Term Capital Gain
International Bond - Advisor Shares	276	11/28/2014	\$0.012041253	Income Dividend	Long-Term Capital Gain
International Bond - Advisor Shares	276	12/31/2014	\$0.013749692	Income Dividend	Long-Term Capital Gain

Explanation of Returns of Capital

A tax return of capital occurs when a fund pays out more than its taxable income and gains. Funds listed above pay dividends based on daily financial accounting income. For the emerging markets and international bond funds, taxable income was less than financial accounting income primarily due to currency losses (treated as capital losses for financial accounting and as ordinary losses for tax). For Summit GNMA Fund, taxable income was over distributed primarily as a result of net premium amortization on asset backed securities (which does not affect daily distributions).

The dollar amount of return of capital for each shareholder is reported in Box 3, Nondividend Distributions, of Form 1099-DIV, mailed in January. Shareholders must reduce the basis of all shares held in the fund on the payment date listed above by the amount reported in Box 3.

Note that we are not distributing losses to shareholders, but we are instructing them of the portion of their dividend which is not taxable.

Explanation of Return of Capital for Global Real Estate Fund

For Global Real Estate Fund, a portion of the Fund's dividends received from REIT's was reclassified as a return of capital causing a similar reclassification of a portion of the dividends paid by the fund. Forms 1099-DIV will be mailed in February.

Explanation of Long-Term Capital Gain Reclassification

For International Bond Fund and Institutional International Bond Fund currency losses resulted in the funds over distributing their taxable ordinary income. However, both funds had undistributed long-term capital gains so that the excess distributions, or portion thereof, were considered to come from long-term capital gains.

Spectrum Income Fund invests in International Bond and Emerging Markets Local Currency Bond funds. As a result of the underlying funds reclassifications Spectrum Income over distributed its taxable ordinary income. Spectrum Income had undistributed long-term capital gains so the excess distributions were considered to come from long-term capital gains.

Section 1250 Gains

For the following funds a portion of the long-term capital gain paid in December was derived from Section 1250 property and are subject to a maximum tax rate of 25%. Section 1250 gains are typically due to investments in real estate investment trusts (REITs). Section 1250 gains are reported in Box 2b of Form 1099-DIV

T. Rowe Price Fund	DST Number	2014 Payment Date	Total LTCG Paid Per Share	Percentage of LTCG Subject to 25% Rate	Per Share Long-Term Gain After Reclassification	
					15%/20%	25%
Extended Equity Market Index	124	12/12/2014	\$0.88	0.28929%	\$0.877454248	\$0.002545752
Mid-Cap Value	115/215/415	12/15/2014	\$3.68	0.04602%	\$3.678306464	\$0.001693536
Small-Cap Stock	65/265	12/15/2014	\$3.00	0.04176%	\$2.9987472	\$0.0012528
Small-Cap Value	46/246	12/15/2014	\$3.13	0.13124%	\$3.125892188	\$0.004107812