



**ANNUAL REPORT** | Financial Statements

February 28, 2019

TMDXX	<p>T. ROWE PRICE</p> <p><b>Maryland Tax-Free Money Fund</b></p>
TWNXX	<p><b>Maryland Tax-Free Money Fund–I Class</b></p>
<p>For more insights from T. Rowe Price investment professionals, go to <a href="http://troweprice.com">troweprice.com</a>.</p>	

Beginning on January 1, 2021, as permitted by SEC regulations, paper copies of the T. Rowe Price funds' annual and semiannual shareholder reports will no longer be mailed, unless you specifically request them. Instead, shareholder reports will be made available on the funds' website ([troweprice.com/prospectus](http://troweprice.com/prospectus)), and you will be notified by mail with a website link to access the reports each time a report is posted to the site.

If you already elected to receive reports electronically, you will not be affected by this change and need not take any action. At any time, shareholders who invest directly in T. Rowe Price funds may generally elect to receive reports or other communications electronically by enrolling at [troweprice.com/paperless](http://troweprice.com/paperless) or, if you are a retirement plan sponsor or invest in the funds through a financial intermediary (such as an investment advisor, broker-dealer, insurance company, or bank), by contacting your representative or your financial intermediary.

You may elect to continue receiving paper copies of future shareholder reports free of charge. To do so, if you invest directly with T. Rowe Price, please call T. Rowe Price as follows: IRA, nonretirement account holders, and institutional investors, **1-800-225-5132**; small business retirement accounts, **1-800-492-7670**. If you are a retirement plan sponsor or invest in the T. Rowe Price funds through a financial intermediary, please contact your representative or financial intermediary or follow additional instructions if included with this document. Your election to receive paper copies of reports will apply to all funds held in your account with your financial intermediary or, if you invest directly in the T. Rowe Price funds, with T. Rowe Price. Your election can be changed at any time in the future.

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**Investor Class**

	Year				
	Ended				
	2/28/19	2/28/18	2/28/17	2/29/16	2/28/15
<b>NET ASSET VALUE</b>					
Beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Investment activities					
Net investment income <sup>(1)(2)</sup>	0.01	-(3)	-(3)(4)	-(3)(4)	-(3)(4)
Net realized and unrealized gain/loss	-(3)	-(3)	-(3)	-(3)	-(3)
Total from investment activities	0.01	-(3)	-(3)	-(3)	-(3)
Distributions					
Net investment income	(0.01)	-(3)	-(3)	-(3)	-(3)
<b>NET ASSET VALUE</b>					
End of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

	Year Ended 2/28/19	2/28/18	2/28/17	2/29/16	2/28/15
<b>Ratios/Supplemental Data</b>					
<b>Total return<sup>(2)(5)</sup></b>	<b>1.06%</b>	<b>0.43%</b>	<b>0.01%<sup>(4)</sup></b>	<b>0.01%<sup>(4)</sup></b>	<b>0.01%<sup>(4)</sup></b>
Ratios to average net assets: <sup>(2)</sup>					
Gross expenses before waivers/payments by					
Price Associates	0.72%	0.76%	0.67%	0.60%	0.58%
Net expenses after waivers/payments by					
Price Associates	0.41%	0.50%	0.46% <sup>(4)</sup>	0.08% <sup>(4)</sup>	0.08% <sup>(4)</sup>
Net investment income	1.04%	0.43%	0.01% <sup>(4)</sup>	0.01% <sup>(4)</sup>	0.01% <sup>(4)</sup>
Net assets, end of period (in thousands)	\$ 51,281	\$ 77,389	\$ 83,167	\$ 134,224	\$ 135,522

<sup>(1)</sup> Per share amounts calculated using average shares outstanding method.

<sup>(2)</sup> See Note 5 for details of expense-related arrangements with Price Associates.

<sup>(3)</sup> Amounts round to less than \$0.01 per share.

<sup>(4)</sup> See Note 5. Includes the effect of voluntary management fee waivers and operating expense reimbursements (0.21%, 0.52%, and 0.50% of average net assets) for the years ended 2/28/17, 2/29/16, and 2/28/15, respectively.

<sup>(5)</sup> Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions.

The accompanying notes are an integral part of these financial statements.

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**I Class**

	Year Ended 2/28/19	7/6/17 <sup>(1)</sup> Through 2/28/18
<b>NET ASSET VALUE</b>		
Beginning of period	\$ 1.00	\$ 1.00
Investment activities		
Net investment income <sup>(2)(3)</sup>	0.01	-(4)
Net realized and unrealized gain/loss	-(4)	-(4)
Total from investment activities	0.01	-(4)
Distributions		
Net investment income	(0.01)	-(4)
<b>NET ASSET VALUE</b>		
End of period	<b>\$ 1.00</b>	<b>\$ 1.00</b>

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

	Year	7/6/17 <sup>(1)</sup>
	Ended	Through
	2/28/19	2/28/18

**Ratios/Supplemental Data**

<b>Total return<sup>(3)(5)</sup></b>	<b>1.14%</b>	<b>0.42%</b>
Ratios to average net assets: <sup>(3)</sup>		
Gross expenses before waivers/payments by Price Associates	0.59%	0.83% <sup>(6)</sup>
Net expenses after waivers/payments by Price Associates	0.33%	0.33% <sup>(6)</sup>
Net investment income	1.18%	0.67% <sup>(6)</sup>
Net assets, end of period (in thousands)	\$ 28,657	\$ 357

<sup>(1)</sup> Inception date<sup>(2)</sup> Per share amounts calculated using average shares outstanding method.<sup>(3)</sup> See Note 5 for details of expense-related arrangements with Price Associates.<sup>(4)</sup> Amounts round to less than \$0.01 per share.<sup>(5)</sup> Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions. Total return is not annualized for periods less than one year.<sup>(6)</sup> Annualized

The accompanying notes are an integral part of these financial statements.

February 28, 2019

**PORTFOLIO OF INVESTMENTS†**

Par

\$ Value

(Amounts in 000s)

**NON-FINANCIAL COMPANY COMMERCIAL PAPER****5.7%**

Maryland HHEFA, Series A, TECP, 1.65%, 5/2/19	2,500	2,500
Maryland HHEFA, Series B, TECP, 1.63%, 4/3/19	450	450
Montgomery County, Trinity Health Credit Group, Series B, TECP, 1.80%, 5/9/19	1,600	1,600
<b>Total Non-Financial Company Commercial Paper (Cost \$4,550)</b>		<b>4,550</b>

**OTHER MUNICIPAL SECURITY 30.5%**

Anne Arundel County, GO, 5.00%, 10/1/19	1,500	1,527
Anne Arundel County, GO, 5.00%, 10/1/19	300	305
Anne Arundel County, Consolidated General Improvements, GO, 5.00%, 4/1/19	1,000	1,003
Baltimore City, Water Project, Tender Option Bond Trust Receipts, Series 2016-XM0391, VRTR, 1.78%, 3/7/19 (1)	2,000	2,000
Baltimore County, Metropolitan Dist. Bonds, GO, 4.00%, 3/18/19	355	355
Baltimore County, Metropolitan Dist. Bonds, Tender Option Bond Trust Receipts, Series 2018-XF0642, GO, VRTR, 1.77%, 3/7/19 (1)	1,000	1,000
Baltimore County, Tender Option Bond Trust Receipts, Series 2018-XF0682, GO, VRTR, 1.77%, 3/7/19 (1)	400	400
Calvert County, Consolidated Public Improvement, GO, 5.00%, 7/1/19	500	506
Howard County, Series A, GO, 5.00%, 2/15/20	1,400	1,444
Maryland DOT, Consolidated Transportation Bonds, 5.00%, 11/1/19	1,615	1,648
Maryland HHEFA, Johns Hopkins Health Systems, Tender Option Bond Trust Receipts, Series 2016-XM0141, VRTR, 1.77%, 3/7/19 (1)	2,750	2,750
Montgomery County, Trinity Health Credit Group, VR, 1.81%, 6/3/19 (Tender)	6,000	6,000
Prince George's County, Consolidated Public Improvement, Series B, 4.00%, 3/1/19	350	350

T. ROWE PRICE MARYLAND TAX-FREE MONEY FUND

	Par	\$ Value
(Amounts in 000s)		
Prince George's County, Revenue Auth., Upper Marlboro Courtthouse, Series A, 4.00%, 5/1/19	1,250	1,254
Prince George's County COP, Univ. of Maryland Capital Region Medical Center, Tender Option Bond Trust Receipts, Series XG0214, VRTR, 4.00%, 3/7/19 (1)	1,600	1,600
Univ. System of Maryland, Series A, 5.00%, 4/1/19	1,000	1,003
Washington Suburban Sanitary Commission, GO, 5.00%, 6/15/19	1,200	1,212
<b>Total Other Municipal Security (Cost \$24,357)</b>		<b>24,357</b>

**VARIABLE RATE DEMAND NOTES 66.5%**

Charlotte-Mecklenburg Hosp. Auth., Carolinas Healthcare System, Series B, VRDN, 1.71%, 3/1/19	870	870
Delaware HFA, Christiana Care Health Services, Series A, VRDN, 1.73%, 3/1/19	2,870	2,870
Harris County Cultural Ed. Fac. Fin., Methodist Hosp. System, Series C-1, VRDN, 1.73%, 3/1/19	200	200
Harris County Health Fac. Dev., Methodist Hosp. System, Series A-1, VRDN, 1.73%, 3/1/19	2,355	2,355
Louisville/Jefferson County Metropolitan Govt., Norton Healthcare, Series B-RE, VRDN, 1.71%, 3/1/19	200	200
Maryland CDA, Multi-Family, Charles Landing South Apartments, Series B, VRDN, 1.78%, 3/7/19 (2)	1,335	1,335
Maryland CDA, Multi-Family, Kirkwood Housing, Series G, VRDN, 1.75%, 3/7/19	3,300	3,300
Maryland CDA, Multi-Family, Series A, VRDN, 1.79%, 3/7/19 (2)	3,000	3,000
Maryland CDA, Multi-Family, Series F, VRDN, 1.75%, 3/7/19	2,600	2,600
Maryland CDA, Residential, Series G, VRDN, 1.83%, 3/7/19 (2)	2,170	2,170
Maryland CDA, Residential, Series J, VRDN, 1.79%, 3/7/19 (2)	1,300	1,300
Maryland Economic Dev., Howard Hughes Medical, Series A, VRDN, 1.75%, 3/7/19	3,530	3,530
Maryland HHEFA, Anne Arundel Health, Series B, VRDN, 1.72%, 3/7/19	3,550	3,550
Maryland HHEFA, Johns Hopkins Univ., Series A, VRDN, 1.72%, 3/7/19	700	700
Maryland HHEFA, Pooled Loan Program, Series A, VRDN, 1.70%, 3/7/19	3,100	3,100

T. ROWE PRICE MARYLAND TAX-FREE MONEY FUND

	Par	\$ Value
(Amounts in 000s)		
Maryland HHEFA, Pooled Loan Program, Series B, VRDN, 1.69%, 3/7/19	550	550
Maryland HHEFA, Univ. of Maryland Medical System, Series A, VRDN, 1.74%, 3/7/19	1,230	1,230
Maryland HHEFA, Univ. of Maryland Medical System, Series D, VRDN, 1.68%, 3/1/19	800	800
Maryland HHEFA, Univ. of Maryland Medical System, Series E, VRDN, 1.71%, 3/7/19	1,550	1,550
Maryland Stadium Auth., Football Stadium, VRDN, 1.73%, 3/7/19	3,030	3,030
Maryland Transportation Auth., BWI Airport Passenger Fac., Series C, VRDN, 1.77%, 3/7/19 (2)	2,560	2,560
Montgomery County, Series E, GO, VRDN, 1.68%, 3/1/19	3,850	3,850
Montgomery County Housing Opportunities Commission, Oakfield Apartments, Series I, VRDN, 1.81%, 3/7/19 (2)	3,400	3,400
Montgomery County Housing Opportunities Commission, Multi-Family Housing Dev., Series A, VRDN, 1.72%, 3/7/19	1,155	1,155
Montgomery County Housing Opportunities Commission, Multi-Family Housing Dev., Series C, VRDN, 1.72%, 3/7/19	1,880	1,880
Washington Suburban Sanitary Commission, Series B-4, BAN, GO, VRDN, 1.73%, 3/7/19	1,000	1,000
Washington Suburban Sanitary Commission, Series B3, BAN, GO, VRDN, 1.73%, 3/7/19	1,100	1,100
<b>Total Variable Rate Demand Notes (Cost \$53,185)</b>		<b>53,185</b>
<b>Total Investments in Securities</b>		
<b>102.7% of Net Assets (Cost \$82,092)</b>	<b>\$</b>	<b>82,092</b>

‡ Par is denominated in U.S. dollars unless otherwise noted.

- (1) Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration only to qualified institutional buyers – total value of such securities at period-end amounts to \$7,750 and represents 9.7% of net assets.
- (2) Interest subject to alternative minimum tax

BAN Bond Anticipation Note  
CDA Community Development Administration/Authority  
COP Certificate of Participation  
DOT Department of Transportation  
GO General Obligation  
HFA Health Facility Authority  
HHEFA Health & Higher Educational Facility Authority



- TECP Tax-Exempt Commercial Paper; the tax exempt nature of income will not pass to the fund's shareholders.
- VR Variable Rate; rate shown is effective rate at period-end. The rates for certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and based on current market conditions.
- VRDN Variable Rate Demand Note under which the holder has the right to sell the security to the issuer or the issuer's agent at a predetermined price on specified dates; such specified dates are considered the effective maturity for purposes of the fund's weighted average maturity; rate shown is effective rate at period-end and maturity date shown is the date principal can be demanded. Certain VRDN rates are not based on a published reference rate and spread but may adjust periodically.
- VRTR Variable Rate Trust Receipt is a synthetic variable rate instrument which entitles the holder to sell the security to the issuer or its agent at a predetermined price on specified dates; such specified dates are considered the effective maturity for purposes of the fund's weighted average maturity; rate shown is effective rate at period-end; and maturity date shown is the date principal can be demanded. Certain VRTR rates are not based on a published reference rate and spread but may adjust periodically.

February 28, 2019

**STATEMENT OF ASSETS AND LIABILITIES**

(\$000s, except shares and per share amounts)

**Assets**

Investments in securities, at value (cost \$82,092)	\$ 82,092
Receivable for investment securities sold	445
Interest receivable	295
Cash	97
Receivable for shares sold	69
Due from affiliates	1
Other assets	24
<b>Total assets</b>	<b>83,023</b>

**Liabilities**

Payable for investment securities purchased	3,000
Payable for shares redeemed	45
Investment management fees payable	17
Other liabilities	23
<b>Total liabilities</b>	<b>3,085</b>

**NET ASSETS** **\$ 79,938**

**Net Assets Consist of:**

Total distributable earnings (loss)	\$ 5
Paid-in capital applicable to 79,891,043 shares of \$0.0001 par value capital stock outstanding; 2,000,000,000 shares of the Corporation authorized	79,933

**NET ASSETS** **\$ 79,938**

**NET ASSET VALUE PER SHARE****Investor Class**

<b>(\$51,281,450 / 51,251,234 shares outstanding)</b>	<b>\$ 1.00</b>
<b>I Class</b>	
<b>(\$28,656,854 / 28,639,809 shares outstanding)</b>	<b>\$ 1.00</b>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF OPERATIONS**

(\$000s)

	Year Ended 2/28/19
<b>Investment Income (Loss)</b>	
Interest income	\$ 1,132
Expenses	
Investment management	216
Shareholder servicing	
Investor Class	35
Prospectus and shareholder reports	
Investor Class	\$ 13
I Class	1
Custody and accounting	147
Registration	64
Legal and audit	37
Proxy and annual meeting	1
Miscellaneous	15
Waived / paid by Price Associates	(228)
Total expenses	301
Net investment income	831
<b>Realized and Unrealized Gain / Loss</b>	
Net realized loss on securities	(1)
<b>INCREASE IN NET ASSETS FROM OPERATIONS</b>	<b>\$ 830</b>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CHANGES IN NET ASSETS**

(\$000s)

	Year Ended 2/28/19	2/28/18 <sup>(1)</sup>
<b>Increase (Decrease) in Net Assets</b>		
Operations		
Net investment income	\$ 831	\$ 333
Net realized loss	(1)	(3)
Increase in net assets from operations	830	330
Distributions to shareholders		
Net earnings		
Investor Class	(603)	(331)
I Class	(228)	(2)
Decrease in net assets from distributions	(831)	(333)
Capital share transactions *		
Shares sold		
Investor Class	30,675	29,736
I Class	30,775	780
Distributions reinvested		
Investor Class	568	324
I Class	224	1
Shares redeemed		
Investor Class	(57,333)	(35,835)
I Class	(2,716)	(424)
Increase (decrease) in net assets from capital share transactions	2,193	(5,418)
<b>Net Assets</b>		
Increase (decrease) during period	2,192	(5,421)
Beginning of period	77,746	83,167
<b>End of period</b>	<b>\$ 79,938</b>	<b>\$ 77,746</b>

\* Capital share transactions at net asset value of \$1.00 per share.

<sup>(1)</sup> Pursuant to the SEC's Disclosure Update and Simplification rule, certain prior year amounts have been reclassified to conform to current year presentation.

The accompanying notes are an integral part of these financial statements.

**NOTES TO FINANCIAL STATEMENTS**

T. Rowe Price State Tax-Free Funds, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Maryland Tax-Free Money Fund (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks to provide preservation of capital, liquidity, and, consistent with these objectives, the highest level of income exempt from federal and Maryland state and local income taxes. The fund intends to operate as a retail money market fund and has the ability to impose liquidity fees on redemptions and/or temporarily suspend redemptions. The fund has two classes of shares: the Maryland Tax-Free Money Fund (Investor Class) and the Maryland Tax-Free Money Fund—I Class (I Class). I Class shares generally are available only to investors meeting a \$1,000,000 minimum investment, although the minimum is generally waived for certain client accounts. Each class has exclusive voting rights on matters related solely to that class; separate voting rights on matters that relate to both classes; and, in all other respects, the same rights and obligations as the other class.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation** The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity. Certain ratios in the accompanying Financial Highlights have been included to conform to the current year presentation.

**Investment Transactions, Investment Income, and Distributions** Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Premiums and discounts on debt securities are amortized for financial reporting purposes. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Distributions to shareholders are recorded on the ex-dividend date. Income distributions are declared by each class daily and paid monthly. A capital gain distribution may also be declared and paid by the fund annually.

**Class Accounting** Shareholder servicing, prospectus, and shareholder report expenses incurred by each class are charged directly to the class to which they relate. Expenses common to both classes and investment income are allocated to the classes based upon the relative daily net assets of each class's settled shares; realized and unrealized gains and losses are allocated based upon the relative daily net assets of each class's outstanding shares.

**New Accounting Guidance** In March 2017, the FASB issued amended guidance to shorten the amortization period for certain callable debt securities held at a premium. The guidance is effective for fiscal years and interim periods beginning after December 15, 2018. Adoption will have no effect on the fund's net assets or results of operations.

**Indemnification** In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

## **NOTE 2 - VALUATION**

The fund's financial instruments are valued and each class's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. The fund's financial instruments are reported at fair value, which GAAP defines as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value. The T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures, including the comparison of amortized cost to market-based value, and approves all fair value determinations.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values. For example, securities held by a money market fund are generally high quality and liquid; however, they are reflected as Level 2 because the inputs used to determine fair value are not quoted prices in an active market.

In accordance with Rule 2a-7 under the 1940 Act, the fund values its securities at amortized cost, which approximates fair value. Securities for which amortized cost is deemed not to reflect fair value are stated at fair value as determined in good faith by the Valuation Committee. On February 28, 2019, all of the fund's financial instruments were classified as Level 2 in the fair value hierarchy.

### **NOTE 3 - OTHER INVESTMENT TRANSACTIONS**

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

**Restricted Securities** The fund may invest in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

#### NOTE 4 - FEDERAL INCOME TAXES

No provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Distributions during the years ended February 28, 2019 and February 28, 2018, totaled \$831,000 and \$333,000, respectively, and were characterized as tax-exempt income for tax purposes. At February 28, 2019, the tax-basis cost of investments and components of net assets were as follows:

(\$000s)	
Cost of investments	\$ 82,092
Capital loss carryforwards	(4)
Undistributed tax-exempt income	9
Paid-in capital	79,933
Net assets	\$ 79,938

The fund intends to retain realized gains to the extent of available capital loss carryforwards. Net realized capital losses may be carried forward indefinitely to offset future realized capital gains.



**NOTE 5 - RELATED PARTY TRANSACTIONS**

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management agreement between the fund and Price Associates provides for an annual investment management fee, which is computed daily and paid monthly. The fee consists of an individual fund fee, equal to 0.10% of the fund's average daily net assets, and a group fee. The group fee rate is calculated based on the combined net assets of certain mutual funds sponsored by Price Associates (the group) applied to a graduated fee schedule, with rates ranging from 0.48% for the first \$1 billion of assets to 0.265% for assets in excess of \$650 billion. The fund's group fee is determined by applying the group fee rate to the fund's average daily net assets. At February 28, 2019, the effective annual group fee rate was 0.29%. Price Associates agreed to reduce the fund's annual investment management fee to 0.28% through June 30, 2019. This contractual arrangement will renew automatically for one-year terms thereafter and may be terminated only with approval of the fund's Board. The fund has no obligation to repay fees reduced under this arrangement.

The Investor Class is subject to a contractual expense limitation through the limitation date indicated in the table below. During the limitation period, Price Associates is required to waive its management fee or pay any expenses (excluding interest, expenses related to borrowings, taxes, brokerage, and other non-recurring expenses permitted by the investment management agreement) that would otherwise cause the class's ratio of annualized total expenses to average net assets (net expense ratio) to exceed its expense limitation. The class is required to repay Price Associates for expenses previously waived/paid to the extent the class's net assets grow or expenses decline sufficiently to allow repayment without causing the class's net expense ratio (after the repayment is taken into account) to exceed the lesser of: (1) the expense limitation in place at the time such amounts were waived; or (2) the class's current expense limitation. However, no repayment will be made more than three years after the date of a payment or waiver.

The I Class is also subject to an operating expense limitation (I Class Limit) pursuant to which Price Associates is contractually required to pay all operating expenses of the I Class, excluding management fees, interest, expenses related to borrowings, taxes, brokerage, and other non-recurring expenses permitted by the investment management agreement, to the extent such operating expenses, on an annualized basis, exceed the I Class Limit. This agreement will continue through the limitation date indicated in the table below, and may be renewed, revised, or revoked only with approval of the fund's Board. The I Class is required to repay Price Associates for expenses previously paid to

the extent the class's net assets grow or expenses decline sufficiently to allow repayment without causing the class's operating expenses (after the repayment is taken into account) to exceed both: (1) the I Class Limit in place at the time such amounts were paid; and (2) the current I Class Limit. However, no repayment will be made more than three years after the date of a payment or waiver.

Pursuant to these agreements, expenses were waived/paid by and/or repaid to Price Associates during the year ended February 28, 2019 as indicated in the table below. Including these amounts, expenses previously waived/paid by Price Associates in the amount of \$433,000 remain subject to repayment by the fund at February 28, 2019. To the extent any expenses are waived or reimbursed in accordance with an expense limitation, the waiver or reimbursement is charged to the applicable class or allocated across the classes in the same manner as the related expense. Any repayment of expenses previously waived/paid by Price Associates during the period, if any, would be included in the net investment income and expense ratios presented on the accompanying Financial Highlights.

	<b>Investor Class</b>	<b>I Class</b>
Expense limitation/I Class Limit	0.55%	0.05%
Limitation date	June 30, 2019	June 30, 2019
(Waived)/repaid during the period (\$000s)	\$(178)	\$(50)

Price Associates may voluntarily waive all or a portion of its management fee and reimburse operating expenses to the extent necessary for the fund to maintain a zero or positive net yield (voluntary waiver). This voluntary waiver is in addition to the contractual expense limit in effect for the fund. Any amounts waived/paid by Price Associates under this voluntary agreement are not subject to repayment by the fund. Price Associates may amend or terminate this voluntary arrangement at any time without prior notice.

In addition, the fund has entered into service agreements with Price Associates and a wholly owned subsidiary of Price Associates, each an affiliate of the fund (collectively, Price). Price Associates provides certain accounting and administrative services to the fund. T. Rowe Price Services, Inc. provides shareholder and administrative services in its capacity as the fund's transfer and dividend-disbursing agent. For the year ended February 28, 2019, expenses incurred pursuant to these service agreements were \$72,000 for Price Associates and \$27,000 for T. Rowe Price Services, Inc. All amounts due to and due from Price, exclusive of investment management fees payable, are presented net on the accompanying Statement of Assets and Liabilities.

As of February 28, 2019, T. Rowe Price Group, Inc., or its wholly owned subsidiaries owned 250,000 shares of the I Class, representing less than 1% of the I Class's net assets

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. Purchases and sales cross trades aggregated \$4,286,000 and \$0, respectively, with net realized gain of \$0 for the year ended February 28, 2019. Generally, cross trades were executed due to the limited supply of high-quality municipal securities available in the market and the adviser's decision to continue owning certain investments in funds or accounts advised by Price Associates.

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

### **To the Board of Directors of T. Rowe Price State Tax-Free Funds, Inc. and Shareholders of T. Rowe Price Maryland Tax-Free Money Fund**

#### **Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price Maryland Tax-Free Money Fund (one of the funds constituting T. Rowe Price State Tax-Free Funds, Inc., hereafter referred to as the “Fund”) as of February 28, 2019, the related statement of operations for the year ended February 28, 2019, the statement of changes in net assets for each of the two years in the period ended February 28, 2019, including the related notes, and the financial highlights for each of the periods indicated therein (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of February 28, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended February 28, 2019 and the financial highlights for each of the periods indicated therein, in conformity with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
(CONTINUED)**

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of February 28, 2019 by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP  
Baltimore, Maryland  
April 18, 2019

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

## **TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 2/28/19**

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

The fund's distributions to shareholders included \$798,000 which qualified as exempt-interest dividends.

## **INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS**

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www3.troweprice.com/usis/corporate/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

## **HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS**

The fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The fund's Form N-Q is available electronically on the SEC's website (sec.gov); hard copies may be reviewed and copied at the SEC's Public Reference Room, 100 F St. N.E., Washington, DC 20549. For more information on the Public Reference Room, call 1-800-SEC-0330.

## ABOUT THE FUND'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. At least 75% of the Board's members are independent of the Boards of T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates; "inside" or "interested" directors are employees or officers of T. Rowe Price. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

### INDEPENDENT DIRECTORS<sup>(a)</sup>

**Name**

**(Year of Birth)**

**Year Elected**

**[Number of T. Rowe Price Portfolios Overseen]**

**Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years**

Teresa Bryce Bazemore (1959) 2018 [189]	President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to present); Director, Chimera Investment Corporation (2017 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to present)
Ronald J. Daniels (1959) 2018 [189]	President, The Johns Hopkins University <sup>(b)</sup> and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present)
Bruce W. Duncan (1951) 2013 [189]	Chief Executive Officer and Director (January 2009 to December 2016), Chairman of the Board (January 2016 to present), and President (January 2009 to September 2016), First Industrial Realty Trust, an owner and operator of industrial properties; Chairman of the Board (2005 to September 2016) and Director (1999 to September 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to present); Member, Independent Directors Council Governing Board (2017 to present); Senior Advisor, KKR (November 2018 to present); Director, Boston Properties (May 2016 to present); Director, Marriott International, Inc. (September 2016 to present)
Robert J. Gerrard, Jr. (1952) 2013 [189]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to 2016); Chairman of the Board, all funds (July 2018 to present)
Paul F. McBride (1956) 2013 [189]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)

**INDEPENDENT DIRECTORS<sup>(a)</sup> (CONTINUED)****Name****(Year of Birth)****Year Elected****[Number of T. Rowe Price  
Portfolios Overseen]****Principal Occupation(s) and Directorships of Public Companies and  
Other Investment Companies During the Past Five Years**Cecilia E. Rouse, Ph.D.  
(1963)  
2013  
[189]

Dean, Woodrow Wilson School (2012 to present); Professor and Researcher, Princeton University (1992 to present); Director, MDRC, a nonprofit education and social policy research organization (2011 to present); Member, National Academy of Education (2010 to present); Research Associate of Labor Studies Program at the National Bureau of Economic Research (2011 to 2015); Board Member, National Bureau of Economic Research (2011 to present); Chair of Committee on the Status of Minority Groups in the Economic Profession of the American Economic Association (2012 to 2018); Vice President (2015 to 2016), Board Member, American Economic Association (2018 to present)

John G. Schreiber  
(1946)  
1992  
[189]

Owner/President, Centaur Capital Partners, Inc., a real estate investment company (1991 to present); Cofounder, Partner, and Cochairman of the Investment Committee, Blackstone Real Estate Advisors, L.P. (1992 to 2015); Director, Blackstone Mortgage Trust, a real estate finance company (2012 to 2016); Director and Chairman of the Board, Brixmor Property Group, Inc. (2013 to present); Director, Hilton Worldwide (2007 to present); Director, Hudson Pacific Properties (2014 to 2016); Director, Invitation Homes (2014 to 2017); Director, JMB Realty Corporation (1980 to present)

Mark R. Tercek<sup>(c)</sup>  
(1957)  
2009  
[0]

President and Chief Executive Officer, The Nature Conservancy (2008 to present)

<sup>(a)</sup>All information about the independent directors was current as of February 19, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.<sup>(b)</sup>William J. Stromberg, president and chief executive officer of T. Rowe Price Group, Inc., the parent company of the Price Funds' investment advisor, has served on the Board of Trustees of Johns Hopkins University since 2014 and is a member of the Johns Hopkins University Board's Compensation Committee.<sup>(c)</sup>Effective February 15, 2019, Mr. Tercek resigned from his role as independent director of the Price Funds.



**INSIDE DIRECTORS****Name****(Year of Birth)****Year Elected\*****[Number of T. Rowe Price Portfolios Overseen]****Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years**

David Oestreicher (1967) 2018 [189]	Chief Legal Officer, Vice President, and Secretary, T. Rowe Price Group, Inc.; Director, Vice President, and Secretary, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; Vice President and Secretary, T. Rowe Price, T. Rowe Price Hong Kong (Price Hong Kong), and T. Rowe Price International; Vice President, T. Rowe Price Japan and T. Rowe Price Singapore (Price Singapore); Principal Executive Officer and Executive Vice President, all funds
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Robert W. Sharps, CFA, CPA** (1971) 2019 [189]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
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\*Each inside director serves until retirement, resignation, or election of a successor.

\*\*Effective December 31, 2018, Edward A. Wiese resigned from his role as inside director of the domestic fixed income Price Funds. Mr. Sharps replaced Mr. Wiese as director of the domestic fixed income Price Funds effective January 1, 2019.

**OFFICERS****Name (Year of Birth)****Position Held With State****Tax-Free Income Trust****Principal Occupation(s)**

Austin Applegate (1974) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
R. Lee Arnold, Jr., CFA, CPA (1970) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Darrell N. Braman (1963) Vice President and Secretary	Vice President, Price Hong Kong, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price International; Assistant Vice President, T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.
M. Helena Condez (1962) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
G. Richard Dent (1960) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

**OFFICERS (CONTINUED)**

<b>Name (Year of Birth)</b>	<b>Position Held With State</b>	<b>Tax-Free Income Trust</b>	<b>Principal Occupation(s)</b>
Sarah J. Engle (1979)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Stephanie A. Gentile, CFA (1956)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
John R. Gilner (1961)	Chief Compliance Officer		Chief Compliance Officer and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Investment Services, Inc.
Gary J. Greb (1961)	Vice President		Vice President, T. Rowe Price, T. Rowe Price International, and T. Rowe Price Trust Company
Charles B. Hill, CFA (1961)	Executive Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Dylan Jones, CFA (1971)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Marianna Korpusova, CFA (1984)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Paul J. Krug, CPA (1964)	Vice President		Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Marcy M. Lash (1963)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Alan D. Levenson, Ph.D. (1958)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Joseph K. Lynagh, CFA (1958)	Executive Vice President		Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
James T. Lynch, CFA (1983)	Vice President		Vice President, T. Rowe Price
Konstantine B. Mallas (1963)	Executive Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Catherine D. Mathews (1963)	Treasurer and Vice President		Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Hugh D. McGuirk, CFA (1960)	President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
James M. Murphy, CFA (1967)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

**OFFICERS (CONTINUED)**

<b>Name (Year of Birth)</b>	<b>Position Held With State</b>	<b>Tax-Free Income Trust</b>	<b>Principal Occupation(s)</b>
Linda A. Murphy (1959)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
John W. Ratzesberger (1975)	Vice President		Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Shannon H. Rauser (1987)	Assistant Secretary		Assistant Vice President, T. Rowe Price
Chen Shao (1980)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Douglas D. Spratley, CFA (1969)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Timothy G. Taylor, CFA (1975)	Vice President		Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Robert D. Thomas (1971)	Vice President		Vice President, T. Rowe Price Group, Inc., and T. Rowe Price International
Megan Warren (1968)	Vice President		Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; formerly, Executive Director, JPMorgan Chase (to 2017)

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

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# T. Rowe Price Mutual Funds

This page contains supplementary information that is not part of the shareholder report.

## STOCK FUNDS

### Domestic

Blue Chip Growth  
Capital Appreciation<sup>†</sup>  
Capital Opportunity  
Communications & Technology  
Diversified Mid-Cap Growth  
Dividend Growth  
Equity Income  
Equity Index 500  
Extended Equity Market Index  
Financial Services  
Growth & Income  
Growth Stock  
Health Sciences  
Mid-Cap Growth<sup>†</sup>  
Mid-Cap Value<sup>†</sup>  
New America Growth  
New Era  
New Horizons<sup>†</sup>  
QM U.S. Small & Mid-Cap  
Core Equity  
QM U.S. Small-Cap Growth Equity  
QM U.S. Value Equity  
Real Estate  
Science & Technology  
Small-Cap Stock<sup>†</sup>  
Small-Cap Value  
Tax-Efficient Equity  
Total Equity Market Index  
U.S. Large-Cap Core  
Value

## ASSET ALLOCATION FUNDS

Balanced  
Global Allocation  
Multi-Strategy Total Return  
Personal Strategy Balanced  
Personal Strategy Growth  
Personal Strategy Income  
Real Assets  
Spectrum Growth  
Spectrum Income  
Spectrum International  
Target Date Funds<sup>\*</sup>

## BOND FUNDS

### Domestic Taxable

Corporate Income  
Credit Opportunities  
Floating Rate  
GNMA  
High Yield<sup>†</sup>  
Inflation Protected Bond  
Limited Duration Inflation  
Focused Bond  
New Income  
Short-Term Bond  
Total Return  
Ultra Short-Term Bond  
U.S. Bond Enhanced Index  
U.S. High Yield  
U.S. Treasury Intermediate  
U.S. Treasury Long-Term

### Domestic Tax-Free

California Tax-Free Bond  
Georgia Tax-Free Bond  
Intermediate Tax-Free High Yield  
Maryland Short-Term Tax-Free Bond  
Maryland Tax-Free Bond  
New Jersey Tax-Free Bond  
New York Tax-Free Bond  
Summit Municipal Income  
Summit Municipal Intermediate  
Tax-Free High Yield  
Tax-Free Income  
Tax-Free Short-Intermediate  
Virginia Tax-Free Bond

## MONEY MARKET FUNDS

### Taxable

Cash Reserves<sup>1</sup>  
Government Money<sup>2</sup>  
U.S. Treasury Money<sup>2</sup>

## MONEY MARKET FUNDS (CONT.)

### Tax-Free

California Tax-Free Money<sup>1</sup>  
Maryland Tax-Free Money<sup>1</sup>  
New York Tax-Free Money<sup>1</sup>  
Summit Municipal Money Market<sup>1</sup>  
Tax-Exempt Money<sup>1</sup>

## INTERNATIONAL/GLOBAL FUNDS

### Stock

Africa & Middle East  
Asia Opportunities  
Emerging Europe  
Emerging Markets Discovery Stock  
Emerging Markets Stock  
European Stock  
Global Consumer  
Global Growth Stock  
Global Industrials  
Global Real Estate  
Global Stock  
Global Technology<sup>†</sup>  
International Disciplined Equity  
International Discovery<sup>†</sup>  
International Equity Index  
International Stock  
International Value Equity  
Japan  
Latin America  
New Asia  
Overseas Stock  
QM Global Equity

### Bond

Dynamic Credit  
Dynamic Global Bond  
Emerging Markets Bond  
Emerging Markets Corporate Bond  
Emerging Markets Local Currency  
Bond  
Global High Income Bond  
Global Multi-Sector Bond  
International Bond  
International Bond (USD Hedged)

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

<sup>†</sup> Subject to certain exceptions, the fund is currently closed to new investors and new accounts.

<sup>\*</sup> The Target Date Funds are inclusive of the Retirement Funds, the Target Funds, and the Retirement Balanced Fund.

<sup>1</sup> Retail Funds: You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. Beginning October 14, 2016, the Fund may impose a fee upon the sale of your shares or may temporarily suspend your 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 you should not expect that the sponsor will provide financial support to the Fund at any time.

<sup>2</sup> Government Funds: You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your 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 you should not expect that the sponsor will provide financial support to the Fund at any time.