



## T. Rowe Price Program for Charitable Giving<sup>SM</sup> Cuts Administrative Fees

### Program Features One Of The Lowest Fees Among National Donor-Advised Funds

**BALTIMORE (September 5, 2006)** - The T. Rowe Price Program for Charitable Giving<sup>SM</sup>, a national donor-advised fund, announced that it has reduced its annual administrative fee, effective September 1, 2006. With the new fee schedule, the Program continues to have one of the lowest administrative fees among national donor-advised funds founded by major financial institutions.

Total assets of the nation's largest donor-advised funds increased to \$15.5 billion in 2005, up from \$12.7 billion in 2004, according to *The Chronicle of Philanthropy*.

"We have been pleased with the growing acceptance of donor-advised funds among those with charitable interests, and of The T. Rowe Price Program for Charitable Giving in particular. The growth of our Program and the economies associated with larger accounts, have made it possible for us to lower fees on individual accounts over \$500,000," said Ann Boyce, President of The T. Rowe Price Program for Charitable Giving. "Ultimately, this will mean more support for charities recommended by our donors."

Under the new fee schedule, the annual administrative fee is reduced by varying amounts on asset balances exceeding \$500,000. For example, the fee is cut by more than half—from 0.40% to 0.18%—on asset balances of \$1 million to \$2.5 million. For accounts with a \$2 million balance, for example, the annual fee for the Program for Charitable Giving would be \$6,250, less than the administrative fee charged for comparable sized accounts in other national donor-advised funds such as the Vanguard Charitable Endowment Program, the Fidelity Charitable Gift Fund, or the Schwab Fund for Charitable Giving, as seen in the tables below.

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Individual Account Assets	T. Rowe Price Program for Charitable Giving	Vanguard Charitable Endowment Program	Fidelity Charitable Gift Fund	Schwab Fund for Charitable Giving
< \$500,000	0.50%	0.57%	0.60%	0.60%
\$500,000-\$999,999	0.39%	0.57%	0.30%	0.30%
\$1 million - \$2,499,999	0.18%	0.25%	0.20%	0.20%
\$2.5 million - \$4,999,999	0.12%	0.25%	0.15%	0.15%
\$5 million - \$14,999,999	0.10%	0.15%	see below	0.15%
\$15 million - \$49,999,999	0.09%	0.10%	see below	0.10%
\$5-10 million flat fee			0.19%	
\$10-20 million flat fee			0.17%	

Individual Account Assets	T. Rowe Price Program for Charitable Giving	Vanguard Charitable Endowment Program	Fidelity Charitable Gift Fund	Schwab Fund for Charitable Giving
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 500,000	\$ 2,500	\$ 2,850	\$ 3,000	\$ 3,000
\$ 1,000,000	\$ 4,450	\$ 5,700	\$ 4,500	\$ 4,500
\$ 2,000,000	\$ 6,250	\$ 8,200	\$ 6,500	\$ 6,500
\$ 3,000,000	\$ 7,750	\$ 10,700	\$ 8,250	\$ 8,250
\$ 4,000,000	\$ 8,950	\$ 13,200	\$ 9,750	\$ 9,750
\$ 5,000,000	\$ 10,150	\$ 15,700	\$ 9,500	\$ 11,250
\$ 6,000,000	\$ 11,150	\$ 17,200	\$ 11,400	\$ 12,750

\$ 7,000,000	\$ 12,150	\$ 18,700	\$ 13,300	\$ 14,250
\$ 8,000,000	\$ 13,150	\$ 20,200	\$ 15,200	\$ 15,750
\$ 9,000,000	\$ 14,150	\$ 21,700	\$ 17,100	\$ 17,250
\$ 10,000,000	\$ 15,150	\$ 23,200	\$ 17,000	\$ 18,750
\$ 15,000,000	\$ 20,150	\$ 30,700	\$ 25,500	\$ 26,250
\$ 20,000,000	\$ 24,650	\$ 35,700	\$ 34,000	\$ 31,250

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The T. Rowe Price Program for Charitable Giving offers individuals a convenient, cost-effective way to realize the personal, social, and financial benefits of charitable giving. The Program may also serve as a practical alternative for those who are considering the establishment of their own private family foundation.

The Program also allows individuals to contribute cash (\$10,000 minimum initial investment) or publicly traded securities. Accounts are established in the donor's name, and donors submit recommendations for grants to qualified charitable organizations and causes. Donors receive a charitable income tax deduction for assets contributed to the Program, available for the tax year the contributions are made (within IRS limitations), but actual grants can be requested at any time. Donors can recommend that their contributions be invested in various investment options comprised of T. Rowe Price mutual funds. These assets may grow in value over time, potentially increasing the amount of subsequent grants. All grants to charities are recognized in the donor's name unless anonymity is requested.

The T. Rowe Price Program for Charitable Giving accepts donations of long-term appreciated marketable individual securities and mutual fund shares, and invests proceeds from the subsequent sale of securities in the donor's account. Since the Program is the actual "seller" of the securities, the donor avoids any capital gains tax that might have been realized on the sale of the securities.

"Donor-advised funds are increasing in popularity for several reasons," Ms. Boyce says. "Donors benefit from an immediate charitable income tax deduction, and they can avoid paying capital gains taxes on gifts of long-term appreciated securities. They also gain the flexibility of receiving these tax benefits now without having to decide immediately on the charitable organization that they would like to support. Donors also have the potential to see the value of their contributions grow over time, enabling them to make potentially larger gifts in the future. And these funds provide a convenient and efficient way to implement a charitable giving program."

For more information, individuals can contact The T. Rowe Price Program for Charitable Giving at **1-877-325-2682** or visit:

 [www.ProgramForGiving.org](http://www.ProgramForGiving.org)

The T. Rowe Price Program for Charitable Giving is an independent non-profit corporation founded by T. Rowe Price to assist individuals with planning and managing their charitable giving. The Program has contracted with various T. Rowe Price companies to provide operational, record-keeping and investment management services to the Program.