



Vanguard[®]

Form 5500 Schedule C

Eligible indirect compensation disclosure guide

This guide is being provided to assist plan administrators (usually the plan sponsor) in completing Form 5500 Schedule C (Service Provider Information). It contains information regarding eligible indirect compensation received by Vanguard and others from Vanguard investment funds. Eligible indirect compensation is defined as indirect compensation that includes fees or expense reimbursement payments charged to investment funds and reflected in the value of the plan's investment or return on investment of the plan (e.g., mutual fund expense ratios). This guide includes all of the information needed to complete the Schedule C with respect to Vanguard investment funds and any other eligible indirect compensation received by Vanguard.

A simplified reporting option, referred to as the "alternative reporting option," is available for eligible indirect compensation paid to a service provider. The alternative reporting option is available if the only compensation paid to a service provider is eligible indirect compensation and the plan administrator receives information identifying the reportable elements of eligible indirect compensation. The information contained in this guide is intended to comply with the Department of Labor's written disclosure requirements, allowing plan sponsors to use the alternative reporting option. Under the alternative reporting option, plan sponsors are required to report only the name and employer identification number (EIN) or address of the person or entity providing the written disclosures, not the information that is disclosed. For these purposes, Vanguard's information is as follows:

Name: The Vanguard Group, Inc.

Address: P.O. Box 2900
Valley Forge, PA 19482

EIN: 23-1945930

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Vanguard mutual funds (excluding Vanguard funds of funds: Diversified Equity Fund, LifeStrategy® Funds, Managed Payout Funds, STAR® Fund, and Target Retirement Funds)

1. Identifying information:

- Fund name.
- Share class.
- Ticker symbol.
- CUSIP.
- Fiscal year-end (FYE).
- Fund assets as of FYE.
- Expense ratio (exclusive of fee waivers).**
- Questions concerning information in this document.

For identifying fund information, please refer to the statutory prospectus.

- Front cover page.
- Front cover page.
- Front cover page.
- “Investing with Vanguard” section, “Additional information” subsection.
- Front cover page.*
- “Financial highlights” section, refer to “Net assets, end of period” in the table.*
- “Fund summary” section, “Fees and expenses” subsection.
- Back cover page provides contact information.

* Available only if the fund has completed its first FYE.

** For defined contribution plans recordkept by Vanguard, a portion of the expense ratio may be attributed to recordkeeping costs. For details on a fund’s recordkeeping attribution, if any, please refer to your plan’s All-in Fee Report. For Vanguard Retirement Plan Services defined contribution plans, please refer to your Retirement Plan Recordkeeping Service Agreement for additional information.

Part I: Compensation earned by the fund’s advisor and its affiliates

2. Fund advisory fees:

- Investment advisor (name, address).
- Investment advisory fee (net of waivers).
- Services provided for investment advisory fee.
- Department of Labor (DOL) service codes.

DOL service code(s): 52

For more information regarding the investment advisor(s) and these fees, please refer to the statutory prospectus, “More on the fund(s)” section, “Investment advisor(s)” subsection, or the fund’s statement of additional information (SAI) “Investment advisory services” section.

(NOTE: Advisory fees are paid to the investment advisor.)

3. Research and services other than trade execution received by investment advisor (i.e., soft dollars)

DOL service code(s): 68

The advisor, consistent with the safe harbor provisions of Section 28(e) under the Securities Exchange Act of 1934, may cause the fund and, therefore, a plan, to pay a higher commission than other brokers would charge if the advisor determines in good faith that the amount of the commission is reasonable in relation to the value of services provided. The advisor also may receive brokerage or research services from broker-dealers that are provided at no charge in recognition of the volume of trades directed to the broker. To the extent research services or products may be a factor in selecting brokers, services and products may include written research reports analyzing performance or securities, discussions with research analysts, meetings with corporate executives to obtain oral reports on company performance, market data, and other products and services that will assist the advisor in its investment decision-making process. The research services provided by brokers through whom the fund affects securities transactions may be used by the advisor in servicing all of its accounts, and some of the services may not be used by the advisor in connection with the fund. For more information regarding these payments, please refer to the SAI section titled “Portfolio transactions” and Appendix A of this disclosure guide.

4. Gifts and entertainment

Not applicable.

Vanguard's Gift and Entertainment Policy (the "Policy") was adopted in accordance with applicable regulatory guidelines and is intended to help employees make appropriate decisions that are consistent with the best interests of Vanguard fund shareholders. It is Vanguard's policy that giving and receiving gifts and entertainment should never create or appear to create a conflict of interest, interfere with the impartial fulfillment of our responsibilities to clients, create the appearance of a reward, or place Vanguard in a difficult or compromising position. Vanguard employees are not permitted to solicit gifts or entertainment, and extravagant or excessive entertaining is also prohibited. Vanguard has carefully reviewed the gifts and entertainment received by its employees pursuant to the Policy. It has been determined that under any reasonable method of allocation, the gifts and entertainment attributable to any plan are of insubstantial value and, therefore, exempt from reporting on the Schedule C.

Part II: Information on payments made by the fund or fund's advisor

5. Fees related to purchase and sale/
commissions for purchase

Not applicable.

Please refer to the statutory prospectus "Fund summary" section, "Fees and expenses" subsection.

NOTE: Unlike a sales charge or a load paid to a broker or a fund management company, some funds incur purchase and redemption fees, designed to ensure that short-term investors pay their share of the fund's transaction costs and that long-term investors do not subsidize the activities of short-term traders. These fees are neither direct nor indirect compensation. They are used to defray fund costs associated with participants' transactions, and are paid directly to the investment fund. These fees are not retained as compensation by a service provider, and are therefore not reportable compensation on the Schedule C (see DOL Supplemental FAQ 12). For more information regarding these fees, where applicable, please refer to the statutory prospectus "Fund summary" section, "Fees and expenses" subsection.

6. Distribution (12b-1) fee

Not applicable.

Please refer to the statutory prospectus "Fund summary" section, "Fees and expenses" subsection.

7. Additional reportable payments or
compensation made from fund or
by advisor (not described above)

Not applicable.

Vanguard funds of funds (Diversified Equity Fund, LifeStrategy® Funds, Managed Payout Funds, STAR® Fund, and Target Retirement Funds)

1. Identifying information:

- Fund name.
- Share class.
- Ticker symbol.
- CUSIP.
- Fiscal year-end (FYE).
- Fund assets as of FYE.
- Expense ratio (exclusive of fee waivers).**
- Questions concerning information in this document.

For identifying fund information, please refer to the statutory prospectus.

- Front cover page.
- Front cover page.
- Front cover page.
- “Investing with Vanguard” section, “Additional information” subsection.
- Front cover page.*
- “Financial highlights” section, refer to “Net assets, end of period” in the table.*
- “Fund summary” section, “Fees and expenses” subsection.
- Back cover page provides contact information.

* Available only if the fund has completed its first FYE.

** For defined contribution plans recordkept by Vanguard, a portion of the expense ratio may be attributed to recordkeeping costs. For details on a fund’s recordkeeping attribution, if any, please refer to your plan’s All-in Fee Report. For Vanguard Retirement Plan Services defined contribution plans, please refer to your Retirement Plan Recordkeeping Service Agreement for additional information.

Part I: Compensation earned by the fund’s advisor and its affiliate

2. Fund advisory fees:

- Investment advisor (name, address).
- Investment advisory fee (net of waivers).
- Services provided for investment advisory fee.
- Department of Labor (DOL) service codes.

(NOTE: Advisory fees are paid to the investment advisor.)

DOL service code(s): 52

For more information regarding the investment advisor(s), please refer to the statutory prospectus, “More on the fund(s)” section, “Investment advisor(s)” subsection, or the fund’s statement of additional information (SAI) “Investment advisory services” section, as applicable.

The fund (funds of funds) makes investments in other investment funds and incurs no direct expenses, only indirect expenses at the lower-tier or acquired-fund level(s). For more information, please refer to the lower-tier fund level(s) statutory prospectus “More on the fund(s)” section, “The fund(s) and Vanguard,” and “Investment advisor(s)” subsections, or the fund’s SAI “Investment advisory services” section, as applicable.

3. Research and services other than trade execution received by investment advisor (i.e., soft dollars)

Not applicable.

All fund (funds of funds) trades are in shares of other Vanguard funds. There are no broker-dealer relationships.

For more information regarding these payments (soft dollars) at the lower-tier or acquired-fund level(s), please refer to the lower-tier fund level(s) SAI section titled “Portfolio transactions.”

4. Gifts and entertainment

Not applicable.

Vanguard’s Gift and Entertainment Policy (the “Policy”) was adopted in accordance with applicable regulatory guidelines and is intended to help employees make appropriate decisions that are consistent with the best interests of Vanguard fund shareholders. It is Vanguard’s policy that giving and receiving gifts and entertainment should never create or appear to create a conflict of interest, interfere with the impartial fulfillment of our responsibilities to clients, create the appearance of a reward, or place Vanguard in a difficult or compromising position. Vanguard employees are not permitted to solicit gifts or entertainment, and extravagant or excessive entertaining is also prohibited. Vanguard has carefully reviewed the gifts and entertainment received by its employees pursuant to the Policy. It has been determined that under any reasonable method of allocation, the gifts and entertainment attributable to any plan are of insubstantial value and, therefore, exempt from reporting on the Schedule C.

Part II: Information on payments made by the fund or fund's advisor

5. Fees related to purchase and sale/
commissions for purchase

Not applicable.

The fund incurs no direct expenses. All trades are in shares of other Vanguard funds. Please refer to the lower-tier fund level(s) statutory prospectus "Fund summary" section, "Fees and expenses" subsection.

6. Distribution (12b-1) fee

Not applicable.

The fund incurs no direct expenses. All trades are in shares of other Vanguard funds. Please refer to the lower-tier fund level(s) statutory prospectus "Fund summary" section, "Fees and expenses" subsection.

7. Additional reportable payments or
compensation made from fund or
by advisor (not described above)

Not applicable.

Additional information for Vanguard recordkeeping clients

The following sections contain information regarding Vanguard's administrative procedures in providing recordkeeping services that, in certain circumstances, may result in eligible indirect compensation received by Vanguard.

Omnibus Account Earnings

Vanguard maintains pooled or "omnibus" accounts to facilitate transactions for plans for which Vanguard provides recordkeeping services. The pooled account holds contributions pending investment direction and distributions pending redemption of a check. To the extent there are any earnings (commonly referred to as "float") on the monies that accumulate in the pooled account, the earnings are allocated proportionately among all of the Vanguard mutual funds in order to offset expenses of the mutual funds. This cash management process ultimately lowers the expense ratios of the mutual funds, thereby benefiting all fund shareholders, including plan participants.

To the extent Vanguard receives assets prior to Vanguard's determination that a trade request is in good order, the potential earnings period begins on the date the contribution is received and ends on the date the contribution instructions are received in good order. With respect to distributions pending redemption of a check, the potential earnings period begins on the date the distribution check is written and ends on the date the check is presented for payment or, if applicable, the date the funds attributable to the outstanding benefit check are moved to a plan forfeiture account. The earnings rate is a rate that is based on the federal funds rate. Administrative procedures, outlined in the Service Administration Manual located on Vanguard's Plan Sponsor Bridge[®], are in place to limit any potential float period.

The process described above is administered in a manner consistent with the guidance provided in DOL Field Assistance Bulletin 2002-03 (see also DOL FAQ 12).

Trade Processing and Reconciliation

Vanguard strives to ensure timely and accurate processing of all transactions. Although Vanguard seeks to avoid errors, occasionally an error may occur when Vanguard processes a transaction on behalf of a plan participant. If a processing error caused by Vanguard is identified, once Vanguard has obtained sufficient information to correct the error, Vanguard promptly takes corrective action to put the plan and participants in a position financially equivalent to the position they would have been in if the error had not occurred.

Vanguard has procedures in place to reconcile all transactions on its recordkeeping systems, including corrective transactions, to its plan trading accounts. If Vanguard determines that corrective action by Vanguard to fix a processing error caused by Vanguard results in losses, Vanguard makes the plan and affected participants whole for the amount of such losses. If gains occur as a result of any corrective action to adjust plan accounts on Vanguard's recordkeeping system, such gains are retained by Vanguard and may be used to offset any losses resulting from corrections and this reconciliation process.

APPENDIX A

Top 20 providers of research and other services to the investment advisors of the Vanguard funds

Bank of America Merrill Lynch

Barclays

BTIG LLC

Citigroup Global Markets Inc.

Cowen and Company

Credit Agricole

Credit Suisse Securities

Deutsche Bank Securities

Goldman Sachs

Investment Technology Group

ISI Group

Jefferies LLC

JP Morgan Chase

Macquarie

Morgan Stanley & Co. LLC

Raymond James &
Associates, Inc.

RBC Capital Markets

Sanford C. Bernstein & Co.

UBS Securities

Wells Fargo Securities



P.O. Box 2900
Valley Forge, PA 19482-2900

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All investing is subject to risk, including the possible loss
of the money you invest.