

Vanguard[®]

Find out how easy retirement planning can really be














You lead a busy life

It can be hard to find the time to focus on your retirement plan. That's why Vanguard offers Target Retirement Funds. A single Target Retirement Fund may put an end

to those time-consuming investment decisions with a mix of investments that automatically changes as you get closer to retirement.

Choosing the right fund

Choosing the right Target Retirement Fund is easy. Just consider picking the date-specific fund that's closest to your expected retirement year (2050, 2045, 2040, 2035, 2030, 2025, 2020, 2015, 2010, or 2005). If you're already retired, the Vanguard® Target Retirement Income Fund maintains a conservative investment mix designed for retirees.

Your Age at Year-End 2009	Potential Fund Choice	Investment Mix*
18–26	Target Retirement 2050 Fund**	 10% 90%
27–31	Target Retirement 2045 Fund**	 10% 90%
32–36	Target Retirement 2040 Fund**	 10% 90%
37–41	Target Retirement 2035 Fund**	 10% 90%
42–46	Target Retirement 2030 Fund	 15% 85%
47–51	Target Retirement 2025 Fund	 22% 78%
52–56	Target Retirement 2020 Fund	 30% 70%
57–61	Target Retirement 2015 Fund	 37% 63%
62–66	Target Retirement 2010 Fund	 46% 54%
67–72	Target Retirement 2005 Fund	 2% 41% 57%
73+	Target Retirement Income Fund	 5% 31% 64%

● Stocks ● Bonds ● Short-term reserves

*Approximate allocation targets for each fund as of December 31, 2008. Allocations for the date-specific funds will shift (from stocks to bonds and short-term reserves) over time based on an assumed retirement age of 65.

**The target allocation of the funds dated 2035 through 2050 are currently identical; however, as time passes, each fund will gradually shift toward a more conservative allocation depending on the maturity date of the fund.

Risk level takes into account the different types of risk applicable to each fund's asset class and investment style.

If you think you'll retire significantly earlier or later, you may want to consider a fund with an asset allocation more appropriate to your situation.

More aggressive

Less aggressive

A quick Q&A

Q: What are Target Retirement Funds?

A: Target Retirement Funds are broadly diversified funds that gradually and automatically shift to more conservative investments as you get closer to retirement. No matter what your age, you'll be invested appropriately. Because each Target Retirement Fund is a complete investment package, a single fund can serve as your entire plan portfolio. Keep in mind that although Target Retirement Funds can simplify investment selection, all mutual fund investing is subject to risk. In addition, Target Retirement Funds are subject to the risks associated with their underlying funds. For instance, investments in bond funds are subject to interest rate, credit, and inflation risk. Diversification does not ensure a profit or protect against a loss in a declining market.

Q: How are Target Retirement Funds invested?

A: Each Target Retirement Fund invests in up to seven broadly diversified Vanguard funds—most of which are index-based. Vanguard's long history includes the introduction of the first index mutual fund for individual investors in 1976.

Q: What if I plan to retire in a year that falls between two Target Retirement Fund years?

A: Consider choosing the fund closest to your expected retirement date. For example, if you expect to retire in 2039 at age 67, consider the Target Retirement 2040 Fund.

Q: Is a Target Retirement Fund appropriate for a new investor?

A: Yes, because you have potentially only one decision to make—what year you expect to retire. Vanguard does the rest, assembling and managing a mix of investments designed for your stage of retirement planning.

Q: Is a Target Retirement Fund appropriate for an experienced investor who has limited time to manage his or her money?

A: Yes. Target Retirement Funds allow you to implement sophisticated investing strategies while leaving the time-consuming details of portfolio management to Vanguard, your plan provider. Target Retirement Funds allow you to take advantage of Vanguard's years of experience as one of the world's largest investment management companies.

Q: Can I lose money in a Target Retirement Fund?

A: As with most investments, Vanguard Target Retirement Funds can go up and down in value based on market fluctuations. However, Vanguard manages the funds with your long-term goal of retirement in mind, while keeping a strict focus on appropriate diversification and low costs. Your fund's investments automatically become more conservative as you approach and enter retirement.

Q: Why is the 2005 Fund still available?

A: The Vanguard Target Retirement Funds follow a “glidepath” that dictates when, and to what extent, the funds reallocate themselves to more conservative allocations. It takes the glidepath seven years after the fund’s target retirement date for the allocation to reach the final, static allocation of the Income Fund. Currently, the 2005 Fund is in this seven-year, post-retirement transition. At the end of 2012, the allocation of the 2005 Fund will be identical to the Income Fund. At that time, the funds’ board of directors will decide whether or not the fund will be merged into the Income Fund, bearing in mind that it’s asset allocation will be identical from that point forward. We expect that a merger will occur shortly after 2012.

Currently, you are encouraged to invest in the fund that is closest to your target retirement year. For investors who are already retired, investing in the 2005 Fund will provide a slightly higher equity allocation through the year 2012, as the fund completes its seven-year post-retirement transition. Alternatively, investing in the Income Fund will provide a slightly more conservative allocation for the next three years that afterward will remain constant for the remainder of one’s retirement years. If one has permanently exited the labor force, the Income Fund may be a more suitable choice.

Q: Why do some of the Target Retirement Funds have the same investment mix?

A: The target allocations of the funds dated 2035 through 2050 are currently identical. However, as time passes, each fund will gradually shift toward a more conservative allocation depending on the maturity date of the fund.

A quick word about Vanguard

Most investment firms are either publicly traded or privately owned. Vanguard is different: We’re client-owned. Helping our investors achieve their goals is our sole reason for existence. With no other parties to answer to and therefore no conflicting loyalties, we make every decision—like striving to keep investing costs as low as possible—with only your needs in mind.

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For more information about any fund, including investment objectives, risks, charges, and expenses, you can download Vanguard fund prospectuses at www.vanguard.com. The prospectus contains this and other important information about the fund; read and consider the prospectus information carefully before you invest. You can also write Vanguard at P.O. Box 2900, Valley Forge, PA 19482-2900.



Participant Education

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