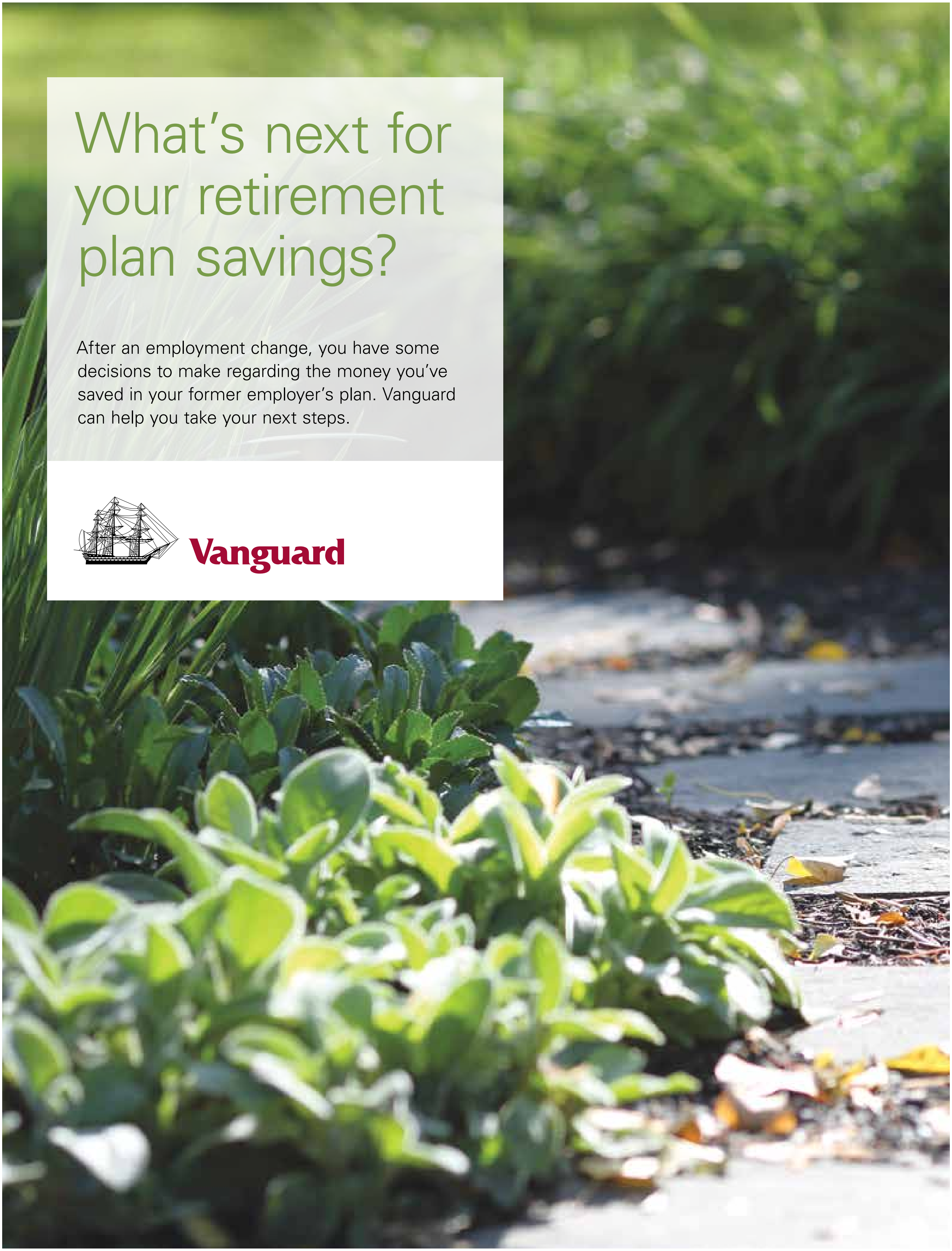


What's next for your retirement plan savings?

After an employment change, you have some decisions to make regarding the money you've saved in your former employer's plan. Vanguard can help you take your next steps.

Vanguard

Protect your plan savings for retirement

You've worked hard for this money. It's important to make sure it keeps working for you. You can:

- **Request a direct rollover.** You can move your money to an IRA, either at Vanguard or another financial institution. You can also move your money to another employer plan, if that plan accepts rollovers. In most cases, you do not pay taxes on a rollover.
- **Leave your money in the plan.** You can leave your money where it is for as long as the plan rules allow. Many plans require that you maintain a minimum balance.
- **Take a lump-sum cash distribution.** You can withdraw your money from the plan. This option can have significant tax implications. See "The cost of cashing out" for more information.

Need help?

For more details on your options or to request a transaction, log on at **vanguard.com/retirementplans**. Or call Vanguard at **800-523-1188** Monday through Friday from 8:30 a.m. to 9 p.m., Eastern time. Our associates would be happy to answer your questions.

The cost of cashing out

Withdrawing money from your retirement savings to spend today can be costly. Even if you have an urgent financial need, the withdrawal could cost you more than you plan for.

You will owe income tax on every pre-tax dollar you withdraw. Federal regulations require Vanguard to withhold 20% of any taxable amount you withdraw. Your actual tax bill may be more or less than the 20% that is paid up front. If you are under age 59½, you may also owe a 10% federal penalty tax.

If you have a plan loan

You can continue to make loan payments after your employment ends using electronic bank transfers.

If you roll over your plan account to an IRA or another employer plan without repaying the loan, your unpaid loan balance will be deducted from your account balance and reported to the IRS as a withdrawal. That amount may then be subject to income tax. And, if you are under age 59½, you may also owe a 10% federal penalty tax.

For more information read the enclosed Special Tax Notice Regarding Plan Distributions or log on to your account at **vanguard.com/retirementplans**.

Deciding what to do

Each of the options for your money has potential benefits and details you should consider. Depending on your plan's rules, some of the options may not be available. Some options can be combined.

You should examine your situation to determine the best option for you and your retirement goals. You may want to consult a financial or tax professional. Each list of potential benefits is not meant to be exhaustive, and not all benefits apply to all participants or plans.

Direct rollover to a Vanguard IRA®

Potential benefits	Considerations
You do not pay immediate taxes on your rollover unless you move pre-tax money to a Roth IRA.	Make sure to compare any fees—including fees related to recordkeeping and investing—charged by your employer plan and Vanguard.
Your savings and any gains will stay tax-deferred until you take a distribution from the IRA.	If your employer plan offers advice and investment management services, make sure to compare them to the services available through Vanguard.
You may have access to additional investment options that are not available in your employer plan.	There may be investment options in your employer plan, including institutional investments with lower costs, that are not available in a Vanguard IRA. You should compare the available investment options.
You may have access to advice or investment management services that are not available through your employer plan.	
You may be able to withdraw your money more easily.	
You stay with an investment provider you are familiar with.	
There is no account maintenance fee if you sign up for e-delivery of your statements and other account documents or have a balance over $10,000.	

There are important factors to consider when rolling over assets to an IRA or employer-sponsored plan or leaving assets in an employer retirement plan account. These factors include, but are not limited to, investment options in each type of account, fees and expenses, available services, potential withdrawal penalties, protection from creditors and legal judgments, required minimum distributions, and tax consequenses of rolling over employer stock to an IRA.

Leave your money in the plan

Potential benefits	Considerations
You do not pay immediate taxes on money that stays in your plan.	You only have access to the investment options offered by your plan.
Your savings and any gains will stay tax-deferred until you take a distribution from the plan.	You cannot contribute additional money to your account.
You may have investment options in the plan that are not available to you outside the plan.	Your account will remain subject to all plan rules.
You can continue to use any advice or investment management services offered by your plan.	Unlike an IRA, your plan may not allow partial withdrawals and may require you to take a complete distribution at a later date.
	Remember to review all fees charged by your retirement plan (including fees related to recordkeeping and investing).

Direct rollover to an IRA at another provider

Potential benefits	Considerations
You do not pay immediate taxes on your rollover unless you move pre-tax money to a Roth IRA.	Make sure to compare any fees—including fees related to recordkeeping and investing—charged by your IRA provider and your employer plan.
Your savings and any gains will stay tax-deferred until you take a distribution from the IRA.	If your employer plan offers advice or investment management services, make sure to compare them to any services offered by your IRA provider.
You may have access to additional investment options that are not available in your employer plan.	There may be investment options in your employer plan, including institutional investments with lower costs, that are not available from your IRA provider. You should compare the available investment options.
You may have access to advice or investment management services that are not available through your employer plan.	
You may be able to withdraw your money more easily.	

Direct rollover to another qualified retirement plan

Potential benefits	Considerations
You do not have to pay taxes on your rollover.	Not all retirement plans accept rollovers, and some will only accept certain types of money. Please confirm that your new plan will accept your rollover before requesting one.
Your savings and any gains will stay tax-deferred until you take a distribution from your new plan.	The money you roll over will become subject to your new plan's rules.
You consolidate your retirement savings.	You may have investment options in your current plan that are not available in your new plan. You should compare the available investment options.
You may be able to contribute additional money to the new plan.	If your current plan offers advice or investment management services, make sure to compare those services to any services offered by your new plan.
Your new plan may offer investment options that are not available in your current plan.	

Cash distribution

Potential benefits	Considerations
You receive money from your plan that you can use immediately.	Any taxable amount you withdraw is included in your taxable income for the year and increases your tax bill (or reduces your refund).
	Vanguard is required to withhold 20% from most pre-tax withdrawals as a credit toward your federal tax liability.
	If you are under age 59½, you may owe a 10% federal penalty tax on any taxable amount you withdraw.

IRA advantages

Delayed taxes

When you roll over your plan savings to an IRA, you keep your money tax-deferred.* You owe no taxes on your savings or earnings until you withdraw the money, ideally in retirement. That means more money working for you, potentially compounding and growing, in the meantime.

*Withdrawals from an IRA before age 59½ may be subject to ordinary income tax plus a 10% federal penalty tax.

Virtually unlimited investment choices

By rolling over your money into an IRA, you have complete control over how your money is invested. You can invest in funds similar to your choices in your employer plan (or the same funds, depending on your IRA provider). Or you can create a new portfolio from the full range of options offered by your IRA provider.

Learn more about Target Retirement Funds at **vanguard.com/target**.

Vanguard Target Retirement Funds

If you choose a direct rollover to a Vanguard IRA, you can create a diversified portfolio by selecting one fund. A single Target Retirement Fund provides diversification and is designed to keep your assets invested appropriately for someone in your stage of life, up to and including your retirement years.

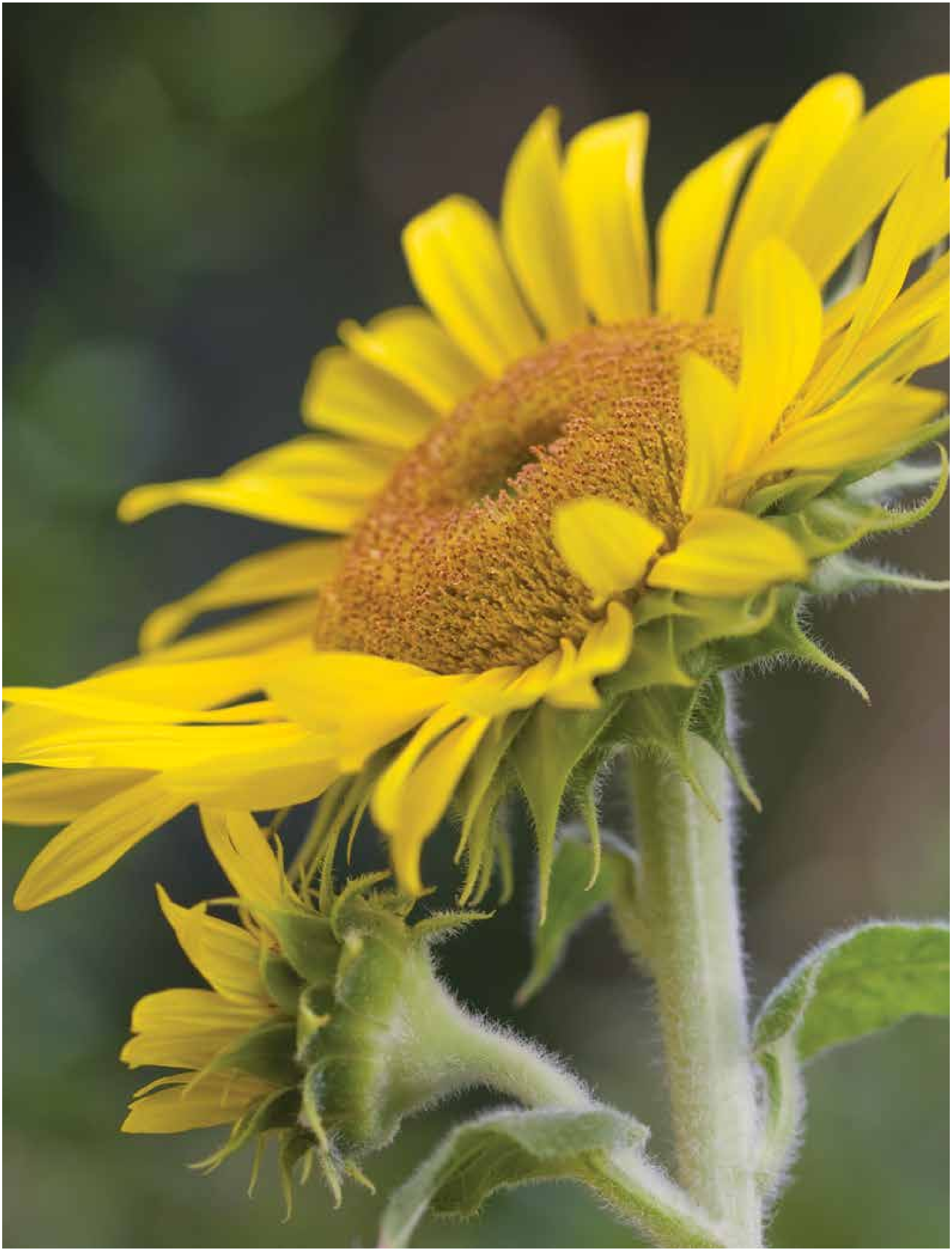
Investments in Target Retirement Funds are subject to the risks of their underlying funds. The year in the fund name refers to the approximate year (the target date) when an investor in the fund would retire and leave the workforce. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in a Target Retirement Fund is not guaranteed at any time, including on or after the target date.

Consider choosing the fund with the date that's closest to the year when you expect to retire. If you are already retired, consider choosing Vanguard Target Retirement Income Fund. This fund is meant for retirees taking withdrawals. Keep in mind that all investing is subject to risk, including the possible loss of the money you invest. Diversification does not ensure a profit or protect against a loss.

Moving forward

Once you've decided how you'd like to move forward with your retirement savings, put your decision in motion.

- If you choose to leave your money in your plan, you don't need to do anything. Just keep in mind that you cannot contribute new money to your account.
- To request a direct rollover or cash distribution, log on to your employer retirement account at **vanguard.com/retirementplans**.
- If you have a loan, decide now whether to repay it in full or continue to make payments using electronic bank transfers. If you don't take any action, it will be treated as a withdrawal and you'll owe income taxes and a possible 10% federal penalty tax.
- Make sure to designate a beneficiary for your retirement plan account or IRA and keep the designation current. Your beneficiary designation supersedes your will, so if you don't name a beneficiary, your money could go to an unintended heir.



Participant Education

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

Connect with Vanguard® > vanguard.com/retirementplans > 800-523-1188

For more information about any fund, including investment objectives, risks, charges, and expenses, you can download Vanguard fund prospectuses or, if available, summary prospectuses at 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.

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